Daily Report

East Europe

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FBIS-EEU-93-126 *2 July 1993*

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Balkan 'Federation for Peace' Established

LD3006140493 Belgrade TANJUG in English 1318 GMT 30 Jun 93

[Text] Belgrade, June 30 (TANJUG)—A Balkan federation for peace and cooperation has been set up at a meeting of representatives of the Balkan countries' peace movements in Athens, TANJUG was told on Wednesday by Dr. Andreja Miletic, a representative of the Yugoslav League for Peace, Independence and Equality of Nations.

At a meeting held in Athens on June 25-26, attended by representatives of Greece, Bulgaria, Romania and Albania, it was decided that the federation would strengthen peace and cooperation in the Balkans and promote the respect of territorial integrity and independence of the Balkan countries, human and minority rights, and the spread of democracy.

The federation, to be based in Athens, would be presided by Christos Markopoulos, chairman of the Greek Committee for Peace, Human Rights and National Independence (KEADEA).

The federation is to hold its annual assembly early November in Athens. Participation in the assembly is open also to representatives of other peace movements in the Balkans.

Radio Station on Ship Stops Broadcasts

AU0107124393 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 1 Jul 93

[Text] The independent radio station that used to broadcast a program meant for the former Yugoslavia from a ship sailing on the Adriatic was forced to stop its work after Belgrade filed an official complaint. In April, eight journalists from the former Yugoslavia began to broadcast from the ship. This enterprise was [words indistinct] was objective information in order to counter the programs made by state radio stations. A representative of the French Droit de Parole Association has said that the Geneva-based International Telecommunications Union accepted Belgrade's complaint that the programs broadcast by the radio station on the ship are contrary to (the Union's) regulations. The same representative added that, since the news broadcast stopped, the ship has returned to an Italian port.

Poland Protests Ex-Communist's CE Appointment

LD0107223793 Warsaw PAP in English 2146 GMT 1 Jul 93

[Text] Strasbourg, July 1—Several leading Polish politicians on Thursday protested to the leader of the Parliamentary Assembly of the Council of Europe [CE] at a decision to appoint an ex-communist to head a key committee of the council investigating political changes in Central and Eastern Europe.

In a letter to Parliamentary Assembly leader Miguel Angel Martinez, a group of Polish delegates including KPN [Confederation for an Independent Poland] leader Leszek Moczulski, former Senator Ryszard Bender, and Slawomir Siwek of the Centre Alliance (PC) described as "morally unacceptable" the appointment of Wlodzimierz Cimoszewicz to head an inquiry into the laws and activities governing decommunisation in the post-communist states of Central and Eastern Europe.

According to the signatories, Cimoszewicz, who stood as a communist counter-candidate to Lech Walesa in the November 1990 presidential elections, represents a political grouping directly linked to the "criminal past" of Polish communism. In their opinion, the appointment of Cimoszewicz cannot be accepted by any post-Solidarity party "from a moral point of view." They called on the legal and human rights committee of the Council of Europe to reconsider its appointment of Cimoszewicz.

Deportees From Greece 'Have Been Beaten'

AU0107153093 Tirana Radio Tirana Network in Albanian 1330 GMT 1 Jul 93

[Text] The violent deportation of Albanian refugees from Greece is continuing. Many of them bear signs of brutal treatment at the hands of the Greek authorities. They have been beaten, injured, and their papers torn. A Public Order Ministry report confirms that yesterday alone, the deportees numbered 2,033, of whom 51 had been harassed and two hospitalized.

These massive violent expulsions by the Greek authorities have caused great public concern. Through the press and statements, various associations and parties have condemned these massive violations of human rights. Last night, parliamentary deputies issued a statement on this.

Ministry Expresses 'Firm Protest'

AU0207093993 Tirana ATA in English 0832 GMT 2 Jul 93

[Text] Tirana, July 2 (ATA)—The Ministry of Foreign Affairs of the Republic of Albania expressed once more its firm protest with the authorities of the Republic of Greece, who are currently expelling albanian emigrants en masse.

Over the last 4 days, 15.202 Albanian emigrants have been expelled from the Greek territory: a great many of them have been maltreated and beaten up. About 2000 people crossed the border only yesterday, 53 of them having received various injuries, while two had been critically wounded and are now laid up in the hospital.

The Albanian emigrants were not allowed to take their money and personal belongings with them. Furthermore, a great number of them had been robbed of their money by the Greek police after being compelled to sign a statement of their own free will. But what impresses most is the fact that the Albanian emigrants had been asked by the Greek authorities to go to Tirana and overthrow the government, because by doing so they would be allowed to return to Greece.

We voice our profound indignation at all these acts which are in flagrant contravention of Article 4 of Protocol 4 (1963) of the European Convention on Human Rights and Freedoms to which Greece is a party. We also express our indignation at the fact that certain chauvinistic forces are going out of their way to exploit the Greek minority in Albania as a bone of contention between the two peoples. All these acts which draw their inspiration from theocratic political motives are finally aimed at destabilizing southern Balkans and the exacerbation and extension of the crisis in the former Yugoslavia.

Proceeding from these considerations we ask the Greek Government to put an end to those acts which are spearheaded not only against the Albanian people but against peace and security in the Balkans as well.

Assembly Condemns Greece

AU0107172793 Tirana Radio Tirana Network in Albanian 1330 GMT 1 Jul 93

[Statement by the People's Assembly issued in Tirana on 30 June]

[Text] The entire Albanian and international public has been informed about the new anti-Albanian wave that is being carried out by the Greek Government with its mass expulsions of Albanian emigrants. This action has not been officially legalized and violates every judicial and humanitarian norm. It is even more serious when we consider that it is happening in the aggravated situation in the Balkans as a result of the massacres and ethnic cleansing in former Yugoslavia.

Such a campaign is being launched under the pretext of the deportation from Albania of the self-proclaimed Archimandrite Khrisostomos as an undesirable person. Throughout his stay in Albania, the Greek citizen Khrisostomos pursued intensive anticonstitutional and anti-Albanian activities. His deportation was not for religious considerations, because the Albanian people are civilized, devout, and admirable in their religious tolerance. The Albanian people have proven historically their respect and assistance for neighboring peoples and have been an example of tolerance, faith, and hospitality down the ages. With these virtues, they sheltered Italians, Greeks, and Jews during World War II regardless of their nationality, race, or creed. This is a part of their character and tradition and it will be continue to be preserved in the future. In the difficult situation following the long communist dictatorship, our people have been and will be grateful to the international community, especially those neighbors who are helping, as a result of which the government and the president of the republic have become internationally known, even to the Greek Government.

Nevertheless, it is with regret that we note that individuals and government circles are seeking to exploit this difficult situation and, through a theocratic policy, are attempting to destabilize Albania and the Balkans. The massive expulsions of Albanians, the threats, the reprisals, and the tortures, which have been committed in violation of all basic human rights and all international documents and conventions officially known and signed by the Republic of Albania itself, are part of this policy.

Under these circumstances, the Albanian parliament, as the people's highest representative body, expresses its readiness to use all its influence to normalize and harmonize relations with all the neighboring peoples on the basis of the democracy that we are building. We have held and will hold mutual respect and regard for all others as sacred, particularly for neighboring peoples. We also have the right to require this of others.

We request that the Greek Government and parliament do not allow any abuse of these noble sentiments, even in difficult periods such as we are experiencing. We also call on the Greek Parliament, Government, and all democratic forces to halt such activities, which have dangerous consequences and act to the detriment of the interests of both our peoples.

Parties Denounce Rights Violations

AU0107185093 Tirana ATA in English 0822 GMT 1 Jul 93

["Albanian Opinion Denounces the Massive Human Rights Violations by the Greek Authorities"—ATA headline]

[Text] Tirana, July 1 (ATA)—The massive violent expulsion of the Albanian refugees by the Greek authorities have created a great worry in the Albanian opinion. Various parties and associations, through statements and press organs, have denounced these massive violations of the human rights by the Greek authorities.

The statement of the Socialist Party says that for several days the Albanian-Greek relations are experiencing a grave crisis. The Greek authorities are responding to the expulsion of the Greek priest by Albanian authorities with a violent purging of the Albanian refugees. The tense situation with the southern neighbour is not by chance. It is a direct consequence of the aims of certain anti-Albanian circles who have always been present in Greece and who, unfortunately, are being actually supported by the Greek Government to destabilize the situation in our region.

The Socialist Party stresses that it is, in any case, against the use of the refugees' expulsion as a means of pressure towards Albania or interference in the internal affairs of Albania. Aware of the dangerous consequences of this crisis, the Presidency of the Socialist Party demands an end be put as soon as possible to the tense situation in the state Albanian-Greek relations.

The return of Albanian refugees from Greece and the Serbian- Macedonian provocations in the border, the statement of the Leading Committee of the Republican Party says, are a double attack for the Albanian people. These events are also related with the increase of tensions in the Balkans. The Republican Party hold that the actual situation asks for a joint action of the political forces in Albania, because the question is for the fundamental interests of the nation, the security of the state, the protection of citizens. The Republican Party fully supports the stand of the Albanian Government and the president regarding the situation created.

The anti-Albanian activity, even a criminal one, undertaken recently by the Greek chauvinistic clerical and political circles against Albania are an unprecedented example in the history of democratic countries, the statement of the Agrarian Party says. "We express our profound indignation and support for the official stands of our government," it says further on.

The Albanian People's Party denounced the violence and terror the Greek Government and police are using against Albanian emigrants in Greece. It will always insist in defence of the interests of Albanian emigrants and fully supports the stand of President Berisha on this question.

A statement of the National Committee for the Defence of the Albanian Orthodox Autocephalic Church says that the anti-Albanian act of the Greek priest Khrisostomos, the illegal appointment of Janullatos as provisional archbishop, the rush of the Greek priests and their preaches in the Greek language, at a time when the sacred books are translated by my lord Fan Noli, founder of the Albanian Autocephalic Church, are made in the course of the efforts for the denationalization of the Albanians. Calling Albanian Orthodox as Greek, the intrigues to sow religious splits among the Moslems, Orthodox, and Catholics, are a clear proof of the diabolic and anti-Albanian aims of the Greek chauvinistic circles, led by elements of the Greek church.

Border Remains Open Despite Greek TV Claims

AU0107164893 Tirana ATA in English 1023 GMT 1 Jul 93

["Greek Mass Media Deceives Public Opinion"—ATA headline]

[Text] Tirana, July 1 (ATA)—Information by the Greek state television reported that the Albanian-Greek border is closed and there were fierce clashes between police and ethnic Greeks, which claimed five casualties. The ATA correspondent from Gjirokaster reports that the distortions are made deliberately in this information. The Albanian-Greek border continues to be open and Albanian refugees expelled from Greece still arrive in Albania. The Albanian refugees are brought here by car and buses with ironed windows. They had wounds on their bodies because of Greek police beatings.

Today at about 11 [0900 GMT], people of minority, who gathered at the Greek Orthodox Church of Gjirokaster, held a manifestation. One of the chieftains of the minority read a petition. The fact that the church was used for political activity aroused the indignation of the Gjirokaster citizens.

The police tried to prevent excesses. The hospital of the city says that there was no casualty, as the Greek mass media reported.

According to recent reports life in the city is tranquil.

Zhulali Tells U.S. Envoy of 'Pro-Serb Forces'

AU0107183693 Tirana ATA in English 1032 GMT 1 Jul 93

[Text] Tirana, July 1 (ATA)—Safet Zhulali, minister of defence, met with Mr. Hansen, U.S. ambassador to the CSCE. Minister Zhulali briefed him on the peaceful policy of the Albanian Government. He dealt with the tense situation in the region and briefed him on the recent events in the Albanian-Macedonian border. Consequently an Albanian officer met death and another one was wounded by the Macedonian border guards inside the Albanian territory. He also concentrated on the situation arisen due to the mass eviction of the Albanian refugees from Greece because of the expulsion of a Greek national, self-styled Archimandrite, who carried out illicit activity. We are aware that certain pro-Serb forces in the neighbouring countries seek to destabilize our relations with the former Yugoslav Republic of Macedonia and Greece, but no one benefits from this. The U.S. Administration supports our efforts to establish a new democratic system, although under hard circumstances due to the economic backwardness inherited from the past and tension created by certain destabilizing forces.

Appreciating the relations of the Albanian Government with the neighbours, Mr. Hansen said: "You have made a lot of friends due to this policy. I am pleased with the U.S.-Albanian contacts. This is also observed in the recent statements of the U.S. Administration to defend the sovereignty of Albania and to prevent the spillover of the conflict in Kosova."

Hoxha 'Optimistic' About Economic Future

AU0207070493 Tirana ATA in English 1048 GMT 1 Jul 93

[ATA report: "Application of a Speedy and Courageous Reform in Albania Appreciated"—Interview with Minister Artan Hoxha]

[Text] Tirana, July 1 (ATA)—"Natural resources, macroeconomic stability, the free labour force, the existence of a satisfactory professionalism, geographical position and a legislation which provides guarantees and creates facilities are factors which attract foreign investments in Albania," the Minister of Foreign Trade and Economic Cooperation Artan Hoxha said in an interview with the ALBANIAN TELEGRAPHIC AGENCY. He referred to the conference "Eastern Europe, Russia, Community of Independent States, and the Balkans—New Business Possibilities," which also dealt with the experience of foreign businessmen in Albania.

"This conference extensively discussed the development of the reforms in former communists countries. The participants followed with special attention the analysis made by Val Koronzaj, deputy director of the Study Branch in the OECD Economic Department. Speaking on Albania, Mr. Koronzaj said that great successes are attained in Albania through a speedy and courageous reform regarding macroeconomic stability and increase of production in many branches. His predictions on the future of the reform in Albania were optimistic. According to Mr. Koronzaj, the reforms launched in the former-communist countries were successful, but, also, there were many problems. Gradual development of these reforms has not yielded the required results. But, there is a country, which has carried out prominent achievements in the development of the reform and the economic growth. And this country is Albania."

Berov Briefs Parliament on Migration to Turkey

AU0207132893 Sofia BTA in English 0939 GMT 2 Jul 93

[Text] Sofia, July 2 (BTA)—The new Bulgarian-Turkish visa agreement, which was signed in March and took effect in April, relaxed visa requirements for private, tourist and business travel to a maximum degree. The Bulgarian Foreign Ministry believes the agreement is fully consistent with the country's interests and with those of Bulgarian citizens who want to visit Turkey, Prime Minister Lyuben Berov told parliament today, answering a question by an MP.

Prof. Berov stressed no considerable deviations had been registered in the implementation of the agreement by the sides so far. According to statistics of the Bulgarian diplomatic missions to Turkey, three groups of Bulgarians who went to Turkey as tourists have remained there this year. Those people are probably seeking temporary or permanent residence there for different reasons—to join their relatives in Turkey or to find jobs, Prof. Berov said.

Turkey is taking administrative measures against foreigners entering or staying on its territory in violation of the effective regulations. The Bulgarian Foreign Ministry has had no information of discrimination or administrative injustice against Bulgarian citizens in Turkey, said Prof. Berov.

The prime minister said that Bulgaria and Turkey have not considered the question of a bilateral migration agreement in the last years. This question has not been raised by either side.

The visa agreement does not envisage the issuing of "migration visas" (immigration visas). We have sufficient grounds to believe that Turkey does not want and will not accept mass immigration of Bulgarian citizens with Turkish ethnic identity. High-ranking Turkish representatives have made statements to the effect that "Turkey prefers ethnic Turks abroad to stay in their native countries," said Prof. Berov.

The Bulgarian Foreign Ministry has no information of organizations or groups of the population demanding a migration agreement with Turkey. The government will take due measures in all cases of unwarranted curtailing of the Bulgarian citizens' freedom of movement and violation of their rights during their stay abroad, Prime Minister Berov stated.

Foreign Minister Daskalov First News Conference

AU0107171993 Sofia BTA in English 1629 GMT 1 Jul 93

[Text] Sofia, July 1 (BTA)—At his first news conference as minister of foreign affairs today Mr. Stanislav Daskalov said that one could hardly expect a shift in the priorities of Bulgaria's foreign policy every time when a new minister is appointed. Before taking office as head of Bulgarian diplomacy, 41-year-old Stanislav Daskalov was deputy minister of trade in three cabinets, Bulgaria's chief negotiator for the trade agreement with the United States, the association agreement with the European Community and the agreement with the General Agreement on Tariffs and Trade organization [GATT].

"I would not like to talk about priorities in Bulgaria's foreign policy, because I think that the purpose of foreign policy is a simple one: to protect the country's national interests acting in compliance with the internationally accepted standards. There are different means of achieving this purpose: Be it through integration with the European structures or by expanding the country's relations with its neighbours, being an European country situated in the Balkans, Bulgaria has interests in this aspect too. As it is a small country, Bulgaria cannot but attach importance to its relations with the great powers," Minister Daskalov said.

The new foreign minister was reserved about the question of possible personnel changes at his ministry. It is his intention to familiarize himself with the situation at the ministry and the Bulgarian embassies and consulates abroad. "One should approach such changes with caution, no extremes should be allowed in this field," he said.

"I am known to be an expert. I have worked in a sphere that is close to foreign policy. I have not been in the diplomatic service, but I know how things stand," Mr. Daskalov said, replying the BTA's question what he feels he is—a politician or a diplomat. I will rely on the professionalism of the ministry's employees, Minister Daskalov went on to say.

For the time being the new foreign minister does not plan visits abroad. This month he is going to Geneva to present his deputy at Bulgaria's negotiations with GATT. The foreign ministers of Switzerland, Italy, Israel and Finland will visit Bulgaria by the end of this year, an invitation has been extended to France's foreign minister too.

Parliament Passes Taxation Bill

AU0107105893 Sofia BTA in English 2121 GMT 30 Jun 93

["Today" —BTA lead]

[Excerpts] Sofia, June 30 (BTA)—President Zhelyu Zhelev today received Khristo Stoichkov, a star Bulgarian footballer who now plays for Spain's Barcelona.

Parliament today adopted on second reading parts of the tax proceedings act. Parliament elected six Supreme Court jurors. The newly elected Minister of Justice, 63-year-old lawyer Petur Kornazhev, assumed his statutory position as chairman of the Supreme Judicial Council.

In compliance with the 1986 Geneva Convention on the early notification of a nuclear accident, the International Atomic Energy Agency is conducting a drill to check the communications information systems, the Civil Defense announced. The Standing Governmental Commission for Management of Industrial Accidents and Natural Disasters, headed by Deputy Prime Minister Evgeni Matinchev, took part in the drill, alerting part of the commissions and control authorities in the country. The capability to react to a transboundary flux of radioactive pollutants will be checked.

The retail prices of goods monitored and controlled by the government dropped 0.75 per cent over the last few weeks, the National Statistical Institute reported. Milk, cheese and bread took the deepest dive. Veal went up 2.98 per cent and weaned-lamb 4.00 per cent.

The end of the hunger strike declared by Mr. Edvin Sugarev M.P. of the Union of Democratic Forces (SDS) to press for President Zhelev's resignation, is evidence of a defeat of the SDS because it is a defeat of the SDS's methods and style in political struggle. This opinion of the Alliance for Social Democracy (OSD), a radical tendency within the Bulgarian Socialist Party (BSP), was expressed at a regular news conference here by the OSD leader Prof. Chavdar Kyuranov, M.P. of the BSP. According to OSD, the political moment does not dictate the need of early elections. Prof. Kyuranov specified that he does not regard as a wrong step yesterday's decision of the government to suspend the payment of interest on Bulgaria's foreign debt due to "emergency circumstances,", even though he admitted that this method of debt settlement is not to be recommended.

The Union for the Turnovo Constitution (an extraparliamentary formation) welcomed the end of Mr. Sugarev's hunger strike, Vasil Bozhilov said at a regular news conference. The formation will continue implementing the union's policy with the SDS National Coordinating Council (top political leadership), Mr. Bozhilov said. [passage omitted]

The Civil Alliance for the Republic (a formation recently established by socialist M.P.'s but open to other political forces as well) is drafting a social assistance bill consistent with the international conventions signed by Bulgaria and other social bills, reporters learnt at the alliance's regular news conference here.

In its political contacts, the Liberals Party will assign priority to the prospective formation of a right-wing and liberal bloc, the extraparliamentary party told its regular news conference today.

The Sofia Municipal councillors adopted a draft budget update of the greater Sofia Council and a restructuring of priorities. The sponsor of the draft, Sofia Deputy Mayor Bozhidar Keremedchiev, said the budget has to be updated because of a 1,400 million leva deficit which should be covered by public funds. [passsage omitted]

Access to Kozloduy Nuclear Plant Restricted

AU0107153593 Sofia BTA in English 1401 GMT 1 Jul 93

[Text] Sofia, July 1 (BTA)—There is a shortage of water in Bulgaria and its rationing is perfectly possible, the government decided today having considered a report by the National Water Council. Water supply specialists insist on a drastic restriction of water consumption because the flow of most water sources in the country has been going down, with the monthly run-off rate falling 36-68 percent from the monthly average over the years. The cabinet authorized the competent state institutions to limit the consumption of water for household and industrial uses and for irrigation.

The government gave its consent to proceed with the development of a project for the construction of a specialized terminal for the handling of petroleum products and chemicals in Burgas Bay. The terminal should be completed and should start operating by the end of 1994.

The government adopted a decision on the improvement of physical and fire safety of the nuclear power plant at Kozloduy. A special-regime zone will be set up limiting the access of persons, transport vehicle, farming and other equipment. The zone will be controlled and supervised by the National Police, the National Security Service, the Fire Department and the Border Forces of the Ministry of the Interior.

The government approved an amendment to the customs tariffs applied to goods imported by juristic persons and single merchants. The amendment concerns tobacco raising its import and export taxes three- to 10-fold depending on its quality.

The government approved a programme for the education, professional training and employment of the Gypsy community in Plovdiv (southern Bulgaria). The Gypsies inhabit a whole district, unemployment and crime rates are extremely high there. Other urban areas in Bulgaria have the same problems. Today Deputy Prime Minister and Minister of Labour and Social Affairs Evgeni Matinchev announced that the adoption of other similar programmes was forthcoming.

EFTA Agreement Comes Into Force

AU0107135793 Sofia BTA in English 1022 GMT 1 Jul 93

[Text] Sofia, July 1 (BTA)—The agreement between Bulgaria and the European Free Trade Association (EFTA) entered into force today, after it was ratified by the Bulgarian National Assembly and the parliaments of four of the seven EFTA countries: Norway, Switzerland, Sweden and Liechtenstein, writes today's DUMA. Austria, Finland and Iceland are expected to ratify the agreement as well by September 1993.

Under the agreement, Bulgarian goods will be imported duty-free to the EFTA members countries, and export and import regulations will be liberalized for Bulgarian industrial goods, processed farm, fish and sea products. The accord provides for concessions within definite limits and quantities for the import and export of farm goods.

Austria, Norway and Sweden will impose duties on Bulgarian textiles, and Sweden and Austria will tax Bulgarian steel, writes DUMA. Bulgarian exports, however, will be free of quantitative restrictions.

Bulgarian wines will be imported duty free to Sweden. In exchange, Bulgaria will liberalize the import of Swedish vodka. Sweden, Austria and Finland make concessions to Bulgaria for the import of sheep's cheese. EFTA will ease the import of definite quantities of Bulgarian fruit, vegetables and dairy products. Switzerland and Norway have agreed to unilateral duty-free concessions for farm trade.

Bulgaria will liberalize its imports from EFTA over ten years.

Black Sea Regional Environment Project Signed

AU0107103193 Sofia BTA in English 0918 GMT 1 Jul 93

[Text] Varna, July 1 (BTA)—The signing of an international project for environmental protection of the Black Sea brought to a close the first meeting of the Project Management Committee of the six Black Sea countries. The document was signed by the deputy environment ministers of Bulgaria, Ukraine and Georgia, the state secretary of the Romanian Environment Ministry, and the chief of the environment programme department of the Russian ministry.

The representative of Turkey, Prof. Turgut Balkas [name as received], told a news conference later on that owing to the current cabinet changes in Turkey, the new minister of the environment will sign the project later on.

"We signed a programme of action," said Bulgarian Deputy Environment Minister Branimir Natov. "We have already emerged from the stage of exploration, development and consultation. 31.6 million dollars have been raised so far," he said.

Centres specializing in different areas of environmental protection are to be set up in each Black Sea country.

The regional project on management and protection of the Black Sea environment is valid for the 1993-1996 period.

At the next meeting in Istanbul in January 1994, all countries will present their projects.

The meeting in Varna was attended by representatives of the world bank, UNEP [United Nations Environment Program] and UNDP [United Nations Development Program].

SDS Holds Consultations With BZNS

AU0107201293 Sofia BTA in English 1838 GMT 1 Jul 93

["Today"—BTA lead]

[Excerpts] Sofia, July 1 (BTA)—Zhan Videnov, chairman of the Supreme Council of the Bulgarian Socialist Party (BSP), today received Ermuhammet Kabidinovich Ertisbaev [name as received], secretary of the Political Executive Committee of the Socialist Party of Kazakhstan, the BSP Press Office said. The sides discussed the results of cooperation between the two parties after the visit to Kazakhstan by a delegation of the BSP Supreme Council in 1992. They agreed cooperation was very useful both for the two parties and for the formation and future activation of relations between the two countries.

A meeting of members of the Standing Committee of the extraparliamentary Bulgarian Agrarian Party [BZNS] and the National Coordinating Council of the Union of Democratic Forces (SDS) was held here today in compliance with a decision of the SDS top leadership to hold consultations with all anti-communist forces which are in favour of urgently settling the current political crisis, Asen Agov of the SDS said. According to the two political formations, parliament is incapable of going on with its work and the cabinet cannot perform its functions because it is not backed by any political force. The BZNS and the SDS see early parliamentary elections as the only way out of the crisis, Mr. Agov said.

A Bulgarian parliamentary delegation led by National Assembly Chairman Aleksandur Yordanov will leave for Helsinki on July 5 to attend the second annual session of the Parliamentary Assembly of the Conference for Security and Cooperation in Europe. The Bulgarian delegation will attend plenary sittings and will work in the assembly's Committees for Political Affairs and Security, Democracy, Human Rights and Humanitarian Affairs, Economic Problems, Science, Technology and the Environment. [passage omitted]

The Kozloduy Nuclear Power Plant is operating at less than one-third of its capacity because of a drop in electricity consumption. Two units out of six with a total capacity of 3,760 MW [Megawatts] are in operation. The reconstruction of Units One and Four is going on under the programme for upgrading of the plant's nuclear and operational safety, BTA's regional correspondent reported. [passage omitted]

The level of the Danube River near Silistra (northeastern Bulgaria) has being going down steadily since 1991. In June it was the lowest ever, according to experts. [passage omitted]

Petkov Admits 'Crisis' at KNSB Headquarters

AU0107150293 Sofia PARI in Bulgarian 25 Jun 93 p 5

[Interview with Professor Krustyu Petkov, chairman of the Confederation of Independent Trade Unions in Bulgaria [KNSB], by Tsvetan Petrov; place and date not given: "The KNSB Has Overcome The Stage of The Team-Work Principle"]

[Excerpt] [Petrov] Professor Petkov, what has happened to the most powerful trade union organization in this country? Is there an internal conflict in the trade union's top leadership?

[Krustyu Petkov] I listened to Prof. Stanislav Stavrev's statement for the electronic mass media. There is no crisis or conflict in the confederation itself, but rather in our headquarters. To put it more precisely, I would say that a certain group of people in the Executive Committee and in the central apparatus of our organization has been showing serious signs of discontent over the last two months. The members of this group started publicly criticizing the policy and the decisions of our leading bodies on certain issues, and my own decisions, in particular. As a matter of fact, I have recently become the main target of their personal attacks.

As far as the KNSB is concerned, this is the third crisis that it is confronted with in its existence. The first one occurred as a result of our participation in the strike to demand the resignation of Lukanov's government. On that occasion 13 federations requested an extraordinary congress to dismiss the Executive Committee headed by Krustyu Petkov. The second crisis occurred some time prior to the confederation's extraordinary congress, when a group led by Popyankov, with the active support of people from the Podkrepa Labor Confederation and the government, tried to remove the central leadership. We managed to cope with both crises, which, nevertheless, were direct confrontations at a public forum, while the third, current, crisis is proceeding undercover. It is not understandable that in my absence (and especially considering that the reason for my absence was well known, namely that I was in hospital) the question of my personal responsibility and guilt was raised at a meeting of the KNSB Coordinating Council two days ago. This accusation was voiced without giving the floor to any of the Coordinating Council's members and without granting me the right of reply.

[Petrov] It has been reported that Mrs. Damyanova and Prof. Stravrev are supported by some executive secretaries, while you are supported by some federal secretaries. Do two opposite camps really exist?

[Krustyu Petkov] Yes, one can observe a regrouping and the establishment of two camps. This shows that I was right, when two months ago I submitted a letter to the federations' chairmen in which I warned them that the Executive Committee is not unanimous and that a regrouping of the apparatus is under way that is likely to play an important role in future personal conflicts, among other things. However, I am convinced that the executive secretaries (who are selected on an electoral basis) are entitled to their own views on trade union policies. This process is likely to continue.

In our organization, unlike in others, the affiliation with a certain camp is not determined by decree. Everyone is entitled to draw his own conclusions and to make his choice. Nevertheless, those who support Stavrev's and Damyanova's statements at the Coordinating Council session two days ago and at yesterday's news briefing are in a minority.

[Petrov] Prof. Stavrev declared his intention of withdrawing from the trade union movement after the congress scheduled for October 1993, and Mrs. Damyanova said that she would do the same. If this should happen, would it result in a destabilization of the KNSB leadership, which many regard as quite prestigious and competent so far?

[Krustyu Petkov] Competence is by all means likely to suffer. My two aforementioned colleagues have special qualifications and a great deal of experience that are difficult to emulate. Prof. Stavrev, for example, is a particularly proficient analyst of the situation and has been very helpful in drafting our policy whenever were expected to conduct negotiations with the government. Diana Damyanova has the ability to make quick assessments of situations, especially in moments of crisis, and to defend the KNSB's interests efficiently.

However, as our popular proverb says, there are gains for all our losses. I would like to remind you that at the last congress, our leading team declared its intention to stay one year in office, which raises the question of continuity. The events of the last days prompted the Coordinating Council and the congress to ask who should pursue the work, after the team has dissolved. Under the circumstances we shall be obliged to look for optimal replacements our central leadership team. I would like to declare that I do not exclude myself in this case. Thus, the congress, which was inclined to preserve the team (at least according to information from the federations' leaders) for the sake of KNSB unity, will be obliged to think about methods of guaranteeing dynamic stability and continuity.

[Petrov] You were accused of trying to run the KNSB from a distance....

[Krustyu Petkov] I think that anyone who is familiar with the policy and practical work of the organization should not delude himself about the possibility of two leaders existing side by side. I can hardly be accused of behaving like a contemporary Fouche [French interior minister under Napoleon] in wanting to place puppet figures on the top. In addition to his, the newly elected one will sooner or later claim his prerogatives.

[Petrov] Some time ago Mrs. Damyanova told journalists that the time for the KNSB to be chaired by an expert is not yet at hand. As you yourself have declared,

elections are likely to take place in the near future. Would you prefer to see a more militant or a more peaceable figure at the head of the trade union organization under the circumstances?

[Krustyu Petkov] I would not like to take a stand in this respect, because my two deputies, Damaynaova and Neykov, have declared that they will be competing for the post. They selected two opposite styles. Damaynova chose the revolutionary, aggressive approach, while Neykov adopted a cool, professional manner. I would like to cite a statement of Gustave Lebon, the well known theoretician of political psychology. As early as in the 40's he differentiated between two types of trade unions, namely revolutionary and peaceful ones. According to him, the first group is inevitably based on anarchist trade unionist formations. The KNSB asserted itself through its common sense, pragmatic attitude, and professional competence. These are our guiding principles. I would like our organization to remain a peaceful trade union that regards employers, governments, and representatives of capital as partners rather than as mortal enemies. I think that we have already been successful in asserting this image of the KNSB. Naturally, circumstances sometimes require firmness of character and an inflexible attitude. However, in such situations we should only use legal and public forms of protest, characteristic of the contemporary social reformist movement such as is accepted in Western countries. In this respect, the KNSB, even if it should lose some ground under particualr circumstances, will be successful in the long run. This is clearly confirmed by the fact that numerous people from different political camps and affiliations are joining our organization.

[Petrov] It is evident that the KNSB is not likely to preserve its old leadership. What qualifications will be required for the new leading team?

[Krustyu Petkov] As Prof. Stavrev declared, our team does not exist any longer. I would like to declare that you will not hear even one word of reproach from me about the members of my team, because we worked side by side for a full three years and, despite all difference, we were a team. Only I know how much effort it cost me to calm down the internal tensions and conflicts at times, but it was part of my job. Nevertheless, it would not be the right thing to say: The team is dead, long live the new team! Nor would it be right to say: The team is dead, long live Krustyu Petkov!.... In my view the KNSB, like many other organizations, has overcome the stage of team work. From now on we should elect leaders with clearly defined personal responsibilities and prerogatives. This is the only way to achieve a normal continuity and decentralization of power. There could be one or more leaders, but they should rule with the force of their authority, rather than with the force of bureaucratic decree. [passage omitted]

Havel Supports Changes in Ukraine in Message to Kravchuk

AU0107130093 Prague CTK in English 2132 GMT 29 Jun 93

[Text] Prague, June 29 (CTK)—Czech President Vaclav Havel has written to the Ukrainian President Leonid Kravchuk expressing his support for all the democratic advances currently being made in the Ukraine, a presidential spokesman told CTK today.

Havel also accepted an invitation for an official visit to Ukraine.

The Mexican Ambassador to the Czech Republic, Horacio Flores de La Pena, and Belgian Ambassador Michel L.G. Dooms handed their credentials to Havel at Prague Castle today.

Baudys Wants List of KGB Collaborators

AU3006140993 Prague LIDOVE NOVINY in Czech 29 Jun 93 p 16

["pd"-signed report: "Baudys on KGB Agents in the Army of the Czech Republic"]

[Text] Prague—"I would give my daughter and a half of the kingdom for the list of the Czech Army officers who, in the past, collaborated with the KGB." At a news conference yesterday, Czech Defense Minister Antonin Baudys responded with these words to a question regarding the activity of the former Soviet secret service agents in the Czech Army. The actual lists are not available but it is rather conspicuous when the personal files of some officers contain notes from the KGB thanking them for their cooperation, the Czech minister added.

Antonin Baudys also said that, for the Czech Republic, the idea of any "smaller" pact that would substitute NATO for the countries of the Central and Eastern Europe is unacceptable.

British Field Marshall Sir Richard Vincent, commander in chief of NATO Military Council's Defense Staff, who is on a three-day visit in the Czech Republic, also spoke to reporters at the news conference. Today, Marshall Vincent is to meet with the staff of the Brno Military Academy, and on Wednesday [30 June] he will attend the opening of an international seminar of the North Atlantic Cooperation Council (NACC) on the peace missions issue, which is organized by the Ministry of Defense of the Czech Republic in cooperation with NATO. The British marshall emphasized the importance of the fact that such a seminar is taking place on the territory of the Czech Republic, i.e., a country that is not an alliance member.

Dlouhy Recommends Continuation of Uranium Mining

LD0107154193 Prague CTK in English 1329 GMT 1 Jul 93

[Text] Straz pod Ralskem, northern Bohemia, July 1 (CTK)—Minister of Industry and Trade Vladimir Dlouhy will recommend to the government the continuation of both standard and chemical mining of uranium, he said at a press conference during his visit to the state-owned Diamo mine in Straz pod Ralskem.

Dlouhy said that he rarely recommended ideas with such high uncertainty, such as future uranium prices. These are especially dependant on the politics and plans of Russia, a major exporter, and the possibility of its making large amounts of uranium available for sale.

Dlouhy said complete discontinuation of uranium mining in the Czech Republic would make it dependant on importing at future prices, affecting the cost of electricity. He estimated the cost of this option at 23 billion crowns (767 million usd).

The Diamo s.p. [state enterprise] mine, known earlier as Pribram and then Hamr, employs about 8,200 people and produced 2,400 tonnes of uranium concentrate in 1989 versus 1,575 last year. The price of uranium ranges between 40 to 63 usd on long-term contracts, and 20 to 25 usd on spot markets.

The minister also said that the recommendation, which would entail a cost of 13 billion crowns (433 million usd), won't include mining at Dolni Rozinka. It also leaves the possibility of re-opening mining elsewhere.

Opposition Parties Set Up 'Realistic Bloc'

AU0107125893 Prague CTK in English 2120 GMT 29 Jun 93

[Text] Prague, June 29 (CTK)—A political agreement on the establishment of the Realistic Bloc was signed today by representatives of the Czech Social Democratic Party (CSSD), the Liberal Social Union (LSU), and the Christian-Social Union (KSU).

The agreement says that the Realistic Bloc has been established in order to provide the public with a non-communist alternative to the present government's policy. The participating parties have undertaken to coordinate their political positions, their activity in the Chamber of Deputies and preparation for local and government elections.

There ought to exist a coalition of democratic—therefore non-communist—parties and other political subjects, said CSSD Chairman Milos Zeman. He added that while it was to be an opposition coalition, it was possible that the opposition would one day become the governing coalition.

Zeman ruled out the possibility of the Democratic Left Party (SDL), formed at the 3d congress of the Communist Party of Bohemia and Moravia (KSCM) joining the Realistic Bloc.

Chairman of the Liberal Social Union Frantisek Trnka said it would be a mistake since it seemed that the SDL would be further left on the political spectrum than the Realistic Bloc intended to be.

DL CR To Join Forces With Breakaway Communists

AU0107135593 Prague CTK in English 2137 GMT 29 Jun 93

[Text] Brno, South Moravia, June 29 (CTK)—The Democratic Left of the Czech Republic (DL CR) will act together with the reform communists who are creating the Democratic Left Party, the Committee of the DL CR decided unanimously today.

The aim of the decision was to complete the transformation of the DL CR into a political party, its chairman Lotar Indruch told CTK today. By this transformation the DL CR wishes to strengthen the principles and the beliefs in which the Left Bloc was born, said Indruch, and added that as a non-communist political subject the DL CR had made headway and now wished to widen its cooperation with democratic and socially orientated political forces.

The DL CR, together with the Communist Party of Bohemia and Moravia (KSCM) forms the Left Bloc, which has 35 seats in the 200-seat Czech Parliament.

The committee approved a letter asking its membership to express their views on changing the DL CR into the Democratic Left Party.

Increase in Gasoline Prices Announced

LD0107081793 Prague CTK in English 0801 GMT 1 Jul 93

[Text] Prague, July 1 (CTK)—Petrol prices go up by 1.5 to 1.6 per cent, or 30 hellers (1 USD [U.S. dollar] is about 29 crowns) starting today.

This means that the Czech distributor Benzina will sell special BA 91 C for 18.80 crowns per litre, natural BA 95 D for 19.20, super BA 96 C for 19.80 and super BA 98 will be 21.70 per litre.

These higher prices should help cover higher costs caused by the new tax system and improve services provided at petrol stations, the Finance Ministry said on Wednesday. Prices will thus be brought to levels comparable with advanced European countries, the ministry added.

Czech papers today report that prices have been also raised by foreign companies operating in the Czech Republic—Conoco, BP, Agip and OMV.

Ulf Ingelson, director of Conoco Praha which runs seven petrol stations, is quoted by today's Czech independent daily "MLADA FRONTA DNES" as saying that the company plans to gain a 10 per cent share of the market, or 80 to 100 stations.

British Petroleum now has two petrol stations in Prague and wants to build another three yearly in future. OMV has six petrol stations in the Czech Republic and is finishing a seventh.

Company Plans To Modernize T-72 Tank

AU0107124193 Prague MLADA FRONTA DNES in Czech 29 Jun 93 pp 1, 2

["(lh, tma)"-signed report: "The Arms Manufacturers Will Modernize the Soviet-Made T-72 Tank in Cooperation With the French"]

[Text] Prague—The complete modernization of one T-72 tank should cost some $2-2.5 million (60-75 million korunas). The Czech armaments plants affiliated in the R.D.P. Group plan to cooperate in this with their French partners affiliated in the SOFMA company.

This company affiliates the major French arms manufacturers and has close links to government circles, said SOFMA President Daniel Huet yesterday.

The T-72 tank is an obsolete Soviet-made vehicle that did not acquit itself well on the Iraqi side during the Gulf War. Modernization should improve its performance threefold thanks—first and foremost—to a more powerful engine, an automatic transmission, automatic guided missiles, and a night vision system.

R.D.P. Group Director Jan Vlcek said that SOFMA will participate mainly in supplying technology derived from the French Leclerc tank. Individual components should be manufactured in the Czech Republic; for example, the transmission will be manufactured in the Skoda plant in Plzen.

The parameters of the modernized T-72 should suffice until the year 2000 at least. There are currently some 6,000-8,000 of the original versions of these tanks in use, and they are manufactured under license—for example, in India and Slovakia.

R.D.P. Group Director Jan Vlcek said that the company will only modernize old tanks in conflict-free countries. Despite this, he expressed his unequivocal optimism about the future market. The French-made Leclerc tank—now considered to be one of the best in the world—costs roughly $8 million, the same as similar American tanks, which is four times more than the modernized T-72.

The R.D.P. Group and SOFMA are now looking into the marketability of the modernized rapid-fire 155-mm "Zuzana" howitzer and the marketing possibilities for a rapid-fire mortar.

Kovac, Havel Give News Conference on Talks

LD0107200593 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1510 GMT 1 Jul 93

[News conference by Slovak President Michal Kovac, Czech President Vaclav Havel, Czech Foreign Minister Josef Zieleniec, and Slovak Foreign Minister Jozef Moravcik at Smolenice Castle in western Slovakia; including opening statements by Kovac and Havel, followed by question-and-answer session with correspondents; correspondents identified where possible; moderated by Slovak president spokesman Anton Bodis; Kovac and Moravcik remarks in Slovak throughout; Havel and Zieleniec remarks in Czech throughout; correspondents' questions in Czech or Slovak, as indicated—live]

[Excerpts] [Bodis] Ladies and gentlemen, I wish you a good afternoon.

[Unidentified announcer] Anton Bodis is speaking.

[Bodis] A short while ago the talks between the presidents of the Slovak and Czech Republics, Mr. Kovac and Mr. Havel, ended. The presidents will inform you about their contents.

[Kovac] I welcome you, dear ladies and gentlemen. Allow me to state straightaway that we have been able to talk on all the points of the program which we intended to and that we really have talked in the spirit of mutual understanding. We talked about the division of property, particularly that which has not yet been decided in this sphere. We agreed that we will try to influence our governments so that by the end of this month they will sign the main agreement on the division of property, which is part of the law on the division of property, and so that precisely defined particular agreements are part of this agreement which will finish work on the principles for the division in individual, particular questions in the sphere of property.

The Slovak side regards this as an accomodating step because the orginal standpoint was different. I personally think that the Slovak Government will also accept this positively, and that it could legalize the present process of dividing property and give a new impulse in accelerating decisions on those agreements which can be resolved in a short time. The second point of our talks was the question of setting up border crossings. On this we came to the same view that it is necessary to separate the question of setting up border crossings from the question of the regime at border crossings.

We paid attention to the question of setting up border crossings, and on this we have undertaken that we will try to influence our governments so that they come to a political decision by 20 July, as a result of which the process of talking about an agreement on border crossings would begin. We are aware that the signing of this agreement is linked to several particular questions, and so these particular questions connected to the setting up of border crossings should also be part of these talks. I mean such questions as a single visa policy, demarcation of borders, and other questions which could in certain parts affect the implementation of the agreement on border crossings.

At the same time, we confirmed that it is neither correct or useful to link the solution of one area, that is questions of the division of property, with the question of border crossings. I have set myself the task of talking about these things personally with the chairman of the government of the Slovak Republic, and other ministers.

We have also agreed that the Slovak and Czech Republics have a joint position on the opening of a faculty of Czech and Slovak studies at Harvard University. The Czech and Slovak Republics will contribute certain amounts which could be the beginning of the creation of this faculty. We have also spoken about the question of the [former President] Benes decrees, and we agreed that the Benes decrees need to be understood as part of the measures taken at the end of World War II which resolved a specific historical situation. The rectification of certain hardships arising from the application of the principle of collective guilt can be examined. At the same time, there can be no question of abolishing the Benes decrees. Furthermore, we stated that the foreign policy orientation of the Czech and Slovak Republics is the same, that the Slovak and Czech Republics are aiming towards the European economic and security structures, and are interested in NATO membership.

That is everything for my part regarding the introduction to our briefing.

[Havel] I am glad to confirm that we have indeed agreed on the issues mentioned by President Kovac and perhaps I could add a few details.

The signing of the main agreement on property restitution, which comprises several partial agreements, means that among the partial agreements there are both agreements already concluded as well as those which will be signed by the end of July. These two groups of agreements will constitute a part of the agreement which will, however, include also some agreements not yet signed even by then. The agreement is therefore to have the status of a mutual obligation by both sides to continue work on those outstanding agreements which will not have been concluded by the end of July.

We have also agreed that it would be helpful—and we will convey this to our governments—that should either side find any accommodating measures vis-a-vis the other side, they should make use of them in order to create an advantageous atmosphere for the signing of the main agreement by the end of July.

Regarding the border issue, we have indeed agreed that both governments should make the principal political decision by 20 July and that we will instruct our respective governments accordingly. By that date the two

governments should conclude an agreement on the setting up of border crossings and they should also discuss all relevant agenda and perhaps amend other connected agreements.

We have offered to the Slovak side the option that this political agreement should be concretely confirmed by something else—namely that the clause dealing with the free movement of citizens of both republics, which features in the existing agreement on abolishing visa requirements for movements between our republics, should be amended with the requirement that citizens of third countries must use border crossing already equipped with customs facilities. This would be a kind of practical, operational, and thoroughly temporary solution which would prepare the groundwork for the setting up of border crossings.

Concerning the period up to 20 July, both sides expressed their intention to abstain from measures that could be interpreted as unilateral during this time. At the same time, the Czech side assured the Slovak side that it could see no great problem—and certainly was not going to unilaterally create any problems—regarding the issue of financing the construction of the border crossings and that, within its means, it would accommodate the other side.

We also agreed on the unchangeability of the Benes decrees. We may or may not like the decrees but they are part and parcel of the results of World War II and of the entire peaceful political postwar arrangements and therefore there is no way they can be changed. However, it may be possible to use various legal means to rectify certain individual cases of injustice which might have been committed at the time.

In the course of the general discussion concerning the foreign-political orientation of our countries, our experiences and our standing in the international community as we perceive it, we found that our stances are very close. As you see, I have only added to the president's speech and I would like to thank the Slovak side for making it possible for us to conduct these deliberations in such a lovely castle. I firmly believe that these negotiations will contribute to the resolution of certain outstanding problems between our republics.

[Bodis] Ladies and gentlemen, your questions please. The foreign ministers are ready to answer them, too. Czech Television, if you please.

[Picha, Prague Television, in Czech] A view has emerged on the Czech side that the present situation on the border can be sustained for one or two months and that unilateral measures will have to be introduced afterwards. Since the two sides agreed today that the talks should start only after 20 July, is there a chance that this deadline could be met?

[Havel] It depends, of course, on what will happen between now and 20 July and what specific matters will be agreed on. In my estimate, no matter what the situation will be like, none of the sides will be compelled to introduce the so-called unilateral measures even after 20 July.

[Bodis] I and Mr. Spacek [President Havel's spokesman] agreed that we would alternatively call Slovak and Czech journalists. Since I called a Czech journalist first, I am now calling a Slovak journalist from Radiozurnal.

[Zuzana Stukovska, Slovak Radio, in Slovak] The Czech and Slovak republics have signed an agreement on visa-free travel. I would like to ask whether after your today's meeting you regard as probable or possible that this signed agreement could be abrogated or (?possibly) updated. Thank you.

[Havel] You evidently mean the agreement on abolishing visa requirements or, in other words, the visa duty. The only thing which could be considered is the proposal put forward by the Czech side to make an adddendum to one paragraph of this agreement, as I have already said. This proposal was received by the Slovak side with understanding and the government will still have to discuss it. I do not know why this agreement should be abrogated.

[Bodis] Minister Zieleniec would like to add something.

[Zieleniec] I would like to emphasize that our side never made any proposal to revise the present system of agreements between the Czech and Slovak Republics. Voices of this kind, which sometimes come from Slovakia, amount to shifting the reality away from the truth. We have always insisted that the amendment of the border situation concerns only citizens from third countries. This is what the issue was. The proposal to set up border crossings on one side or to admend the agreement on abolising visa requirement—or in other words the proposal made today, which could be some kind of an intermediate stage in the building of the system monitoring the movements of third countries' citizens—concerned, exclusively, citizens from third countries. [passage omitted]

[Bodis] President Havel would like to add something.

[Havel] I would like to mention yet another matter. Although I have said this on several occasions, it appears that it is a good idea to say it once again. There is no hidden meaning in the Czech Republic's attempt, which is being attributed to it here and then, to set up this standard border. The Czech Republic is not at all interested in becoming a boundary state on the periphery of one world, in having an abyss at its eastern border and in having another world starting at this border.

Pushing Slovakia further away from us is not in our interest. Nothing of this kind is at issue. What is at issue is that a sovereign state must know where its borders are, it must have a good knowledge of its borders and must be able to control the borders, especially in the event of danger. [passage omitted]

[Melicharkova, SMENA, in Slovak] I would like to ask what timetable the Czech side has in mind for erecting a standard border and introducing a standard border control system? What is its idea about citizens crossing from one country to another—whether they will have to present their identity cards or passports?

[Zieleniec] I would like it very much if the Slovak journalists told their readers at least once that we do not want a standard border. That what we have been proposing for several months now is a border control system that has a special status which does not exist between states in Europe. That the proposal in effect means that the citizens of both the Czech and Slovak Republics will be able to cross the border anywhere they like, as is clear from Article 3, which I cited here. It is important that you also quote this article in your newspaper.

[Unidentified RUDE PRAVO correspondent, in Czech] Mr. Meciar said yesterday that the Slovak side did not have enough financial resources. Did the Czech side offer Slovakia help and did Slovakia accept this help? I mean help for creating a border control system and border crossings.

[Havel] The Czech side has stressed that the border crossings should be built jointly, that it should be a joint investment, which will be more advantageous for both sides. We have stressed that the Czech side will not, as far as the financing of the whole project is concerned, create any problems and will behave in an accomodating way.

[Unidentified Radio Free Europe correspondent, in Slovak] I would like to ask the Czech president a question. Mr. Havel, your negative attitude to arms production was known already when you were Federal president. For this attitude you gained some supporters in Slovakia, but the majority of people do not agree with your attitude and to this day regard it as an anti-Slovak move. I would like to ask on behalf of these supporters whether they will see a similar attitude from the Czech president to the planned arms production, specifically production of tanks, in the Czech Republic?

[Havel] As Federal president I spoke against excessive production of old type of heavy military technology and against the export of this technology to suspicious [podezrely] countries. I said it was unthinkable that in the new political situation Czechoslovakia should continue to export heavy military technology as was done in the era of communism. I did say that. However, I did not pursue any anti-Slovak interests with this, but Slovak interests.

[Unidentified correspondent (Grenic), in Czech] The Czech side has suggested that the visa requirement will concern citizens of third countries. What countries exactly does this mean? Does it include citizens of the former Soviet Union, Yugoslavia and Romania?

[Kovac] We said that we are going to coordinate these issues. What you are talking about concerns in fact control over the movements of citizens of third countries who are moving from one state to another. Whether they are from a state whose citizens are subject to the visa requirement or not, the point is to establish which state these citizens come from.

[Zieleniec] I would like to add that although we did not discuss this question in the presence of the two presidents at the plenary session, the delegation of the two foreign ministries did discuss it. We found that in principle the territorial definitions in our respective proposals are almost identical so that our experts will be able to harmonize these proposals in the nearest future. I do not think that international practices alow us to declare such things specifically ahead of a binding agreement so I cannot answer your concrete questions concerning concrete states except saying that in principle we have reached an agreement. [passage omitted]

Meciar Discusses Border With Czech Republic

AU3006114093 Prague CTK in English 2132 GMT 28 Jun 93

[Text] Bratislava June 28 (CTK)—At its Tuesday [29 June] session the Slovak Government will draw up a reply to the letter it received from Czech Premier Vaclav Klaus concerning border questions, Slovak Premier Vladimir Meciar told CTK today.

Klaus had said in the letter that it was absolutely necessary for the Czech Republic that a standard international border be set up between the two republics.

Meciar said he admitted that there needed to be negotiations about the border, but said the whole problem was fundamentally deeper and more complex. We do not want a new Great Wall of China to be built between the Czechs and Slovaks, which we would only knock down in time, he said.

During his regular Sunday [27 June] appearance on Slovak Television, he said that Slovakia was willing to sign a readmission agreement with the Czech Republic on illegal border crossers. We guarantee the Czech Republic that on our side of the border we will take protective measures such as to make illegal crossings the exception, he said.

Commander Says Army Ready To Fulfill Tasks

LD0107192793 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1630 GMT 1 Jul 93

[Text] Six months after its creation, the Army of the Slovak Republic is ready, as far as its organizational structure and combat readiness is concerned, to fulfil its combat tasks at any time. This has been said by Lieutenant General Julius Humaj, commander of the Army of the Slovak Republic, at a meeting of the Council for Cooperation Between the Army and the General Public [Rada pre spolupracu armady s verejnostou] in Pezinok.

Humaj informed the council members about the current situation in the Slovak Army. He described as a success the completion of its redeployment to specific places in Slovakia. Lt. Gen. Humaj said the most urgent tasks were the transformation of the military education system, preparation of a military doctrine, and new plans for the building of the Army that should gradually move towards Western-style modern systems.

Report Outlines Economic Trends

AU0107140293 Bratislava HOSPODARSKE NOVINY in Slovak 30 Jun 93 p 1

[TA SR report: "Slovak Economic Trends"]

[Text] Consumer prices for goods and services in Slovakia in May increased by 0.5 percent compared with April. The prices of non-foodstuffs increased by 1.3 percent and the cost of services increased by 0.7 percent; food prices fell by 0.6 percent. The cost of public catering also fell by 0.6 percent. Compared with last December, however, prices as a whole have increased—by 13.8 percent, according to a Slovak Statistical Office analysis. The cost of living increased by 0.4 percent compared with April, and by 12.5 percent compared with December 1992. Inflation (increases calculated from the consumer prices index) rose by 0.5 percent compared with April, and by 13.8 percent compared with last December. Some 304,582 people were unemployed at the end of May. Registered unemployment amounted to 12 percent and has not changed since April. The overall number of enterprises and firms has increased by 554 to 21,091.

Swiss Company Buys Tatra Air

LD0107215193 Bratislava STV 1 Television Network in Slovak 1730 GMT 1 Jul 93

[Summary] An unidentified correspondent reports that planes belonging to the Slovak airline company Tatra Air A.S. have not been flying for over a month. Negotiations have been going on with the Swiss firm Alphalines that has resulted in it being sold as a whole to that company. A condition of the sale is that 51 percent of shares in Tatra Air must be owned by Slovak shareholders by the end of the year. In return Alphalines has undertaken to pay all Tatra Air's debts, and as of 16 July to resume regular flights to Munich and Zurich. By 22 July a Saab 340D plane will be flying to Kosice, Prague, Stuttgart, and Munich with connecting flights to other European cities.

As a result of the deal Tatra Air can no longer fulfill certain conditions set by the Transport, Communications, and Public Works Ministry, in order to call itself the Slovak national airline, and so the company's new management will try to negotiate with the ministry on modifications in the conditions over the next few days.

Jeszenszky on Promoting Relations With Slovakia

LD0107220593 Budapest Kossuth Radio Network in Hungarian 1830 GMT 1 Jul 93

[Excerpts] Understandably, the Hungarian Government is paying great attention to the fate of the Hungarian minority in Slovakia. Will their situation improve in the wake of Slovakia's admission to the Council of Europe? The Hungarian foreign minister believes that it will. Geza Jeszenszky is aware of the extent of the difficulties facing the Hungarian minority.

[Begin Jeszenszky recording] [passage omitted] I now believe that there is chance for the tendency, which was not only indicated by the Hungarian parties but which I expressly perceived at my meeting with Slovak Foreign Minister Moravcik last Saturday, to right itself. I share Slovak President Michal Kovac's comment that an appropriate atmosphere is also required between the two states. This is not only necessary for the required—still required—conciliation, not only for establishing cooperation with Slovakia which we have set as a goal since the first moments of the Slovak state gaining independence, but in this way we have provided final evidence of the fact—I say final, because I hope we will not have to give further evidence—that Hungary is still striving for the most friendly relations with the Slovak people, with Slovakia. [end recording]

Szabo Submits 1994 Budget to Parliament

LD0107191293 Budapest MTI in English 1746 GMT 1 Jul 93

[Text] Budapest, July 1 (MTI)—Finance Minister Ivan Szabo today in parliament tabled the draft budget for 1994, government spokeswoman Judit Juhasz told the press on Thursday afternoon.

In view of past delays in passing the budget law, legislators set June 30 as a deadline for submitting the draft budget. The government had already discussed the document twice, she added.

Prime Minister Jozsef Antall briefed ministers about the admission of the Czech Republic and Slovakia to the Council of Europe and Hungary's position on the matter, reflected by its abstention from the vote. The cabinet accepted Antall's report.

In today's session, Juhasz said, the government decided to approach, through diplomats, the UNO and other international organizations for compensation of economic damage suffered by Hungary from the U.N. embargo on Serbia and Montenegro, feared to lose Hungary USD 1-1.1 billion by the end of the year.

The International Economic Relations Ministry thinks USD 300 million trade might be at risk if the transit ban stays until the New Year, choking goods traffic from Hungary to southern Europe.

Hungary may lose hard-won export markets in the Middle and Far East, with dangers for imports from Soviet successor states.

The transit ban is expected to cut income from railway traffic by USD 90 million this year. By late April road hauliers had lost USD 3 million in higher costs and USD 600,000 in cancelled orders. Extra bills are expected for the rest of the year.

Water hauliers lost HUF [Hungarian forint] 100 million to May, plus HUF 600 million feared by December. Other costs are USD 70 million.

UN Committee Informed About Embargo Effects

LD2906182793 Budapest MTI in English 1756 GMT 29 Jun 93

[Text] New York, June 29 (MTI)—The UN embargo imposed on Serbia and Montenegro has so far cost Hungary $800 million, Hungary's UN Ambassador Andre Erdos told the Tuesday session of the UN Sanctions Committee.

Although Budapest will continue to strictly observe the embargo, it hopes to get some kind of compensation, for instance from international financial organizations, he added.

For the first time Hungary told the committee of direct losses it had suffered from the UN embargo. The ambassador said Hungary was worst hit by the restriction of shipping on the Danube.

Forgone trade accounts for $355 million ($150 million last year, $205 million this year), forgone transit incomes $110 million, extra transport costs $180 million, and ecological damage from increased road traffic tens of millions of dollars.

The ambassador said these figures only comprise concrete, accounted-for losses but ignore considerable indirect losses.

Erdos expressed the hope that the UN committee would develop a position on compensation and world financial organizations would help compensate Serbia's neighbours for their losses.

UN Secretary-General Butros Butrus-Ghali recently told the Security Council that the world organization had no way of dealing with these losses. Compensation, he said, needs the political will of states and the funds of financial and other organizations.

Hungarian Justice Party Formed

LD0107214693 Budapest MTI in English 1940 GMT 1 Jul 93

[Text] Budapest, July 1 (MTI)—In today's session of parliament, speaker Gyorgy Szabad officially announced the formation of the Hungarian Justice Group set up in mid-June by 11 MPs [members of parliament], Istvan

Csurka and his associates, after leaving the Hungarian Democratic Forum (HDF), the leading party in the governing coalition.

A week later, they asked to be registered under the name Hungarian Justice Party (HJP). The new party is expected to be joined by adherents of Csurka's Hungarian Way movement, excluded from the HDF and unable to use the party's infrastructure because of their radical rightist views.

Csurka, a founder and former presidium member of the HDF, was expelled from the party for joining another party - the HJP.

Lajos Horvath, provisional HJP leader, said they did not want to work with far-right politicians such as MP Izabella B. Kiraly, who has spoken out in support of Hungarian skinheads, and has also been excluded from the HDF.

Socialist Chairman Views Party's Prospects

AU0107110293 Budapest MAGYAR HIRLAP in Hungarian 30 Jun 93 p 5

[Interview with Socialist Party Chairman Gyula Horn by Pal Szombathy; place and date not given: "This Country Is Meant for a Broad Coalition"]

[Text] [Szombathy] In his recent television interview, Prime Minister Jozsef Antall said that the Hungarian Socialist Party [MSZP] is the only one interested in early elections. Do you agree with this opinion?

[Horn] In my opinion, Hungary would benefit from parliamentary elections as early as possible because, this way, a change in the prevailing political practice would take place sooner. Of course, there are also disadvantages when the parliament does not carry out its full legislative cycle of four years, but these disadvantages are dwarfed by the advantages of quicker changes. I must point out that, to the best of my knowledge, Spain has not had an election cycle of full four years since 1945 but, despite this, this country has been modernized. The other thing is that, irrespective of whether the MSZP is interested in early elections, it is not the MSZP that will decide on early elections, but the coalition majority. Besides, why should any party fear competition? As for the presumption that the world would not welcome early elections because this could threaten the political stability, this is only a threat. The outside world is interested in having the investments secure and in a stable economy. Early elections would not threaten this; on the contrary: They would create the conditions for a more stable political balance of forces. In connection with Jozsef Antall's interview, I would also like to add that if the prime minister speaks to the mass media in the Western countries, it is customary there to also ask the opinion of the opposition. I am curious whether Hungarian Television or Hungarian Radio will do the same.

[Szombathy] In your opinion, what are the disadvantages of early elections?

[Horn] Parliament has a program until 1994, and it would be a positive thing to implement this program. In my opinion, there would even be chances for the legislation of the pending two-third majority laws, like the defense and police laws, if the government accepted the opposition opinions more flexibly. In addition, probably not every party has prepared itself for new elections.

[Szombathy] Government officials, including Jozsef Antall, warned of the possibility that the MSZP might become a governing party. According to these opinions, it would not be expedient to have the successor of the Communist Party share power in 1994.

[Horn] I would like to see the authoritative foreign statements that express any reservations or fear regarding a possible government role for the socialists.

[Szombathy] I saw one: In a television broadcast, former Lithuanian President Landsbergis asked the Hungarian voters to refrain from voting in favor of the left wing so as to avoid a repetition of what happened in Lithuania.

[Horn] I do not think that Landsbergis' Sajudis could affect Hungary's economic and political stability. His statements are very similar to the rhetoric used by certain representatives of the Hungarian Government regarding the left wing. These leaders forgot the facts that played a decisive role in the election victory of the Lithuanian left-wing movement. Landsbergis and his people conducted a nationalist policy, and they were unable to control the prevailing economic and social crisis in their country; moreover, they only deepened this crisis, and they even flirted with the right wing. At the same time, President Brazauskas never denied the fact that he was a communist, and they have already achieved positive changes in their economy. Besides, Lithuania, ruled by the left wing, was accepted in the Council of Europe without a vote.

[Szombathy] What fuels the anti-MSZP emotions in the government coalition?

[Horn] This obviously derives from the fact that the MSZP is continuously strengthening its influence in the society and it is becoming increasingly popular. The fact that the current coalition parties are increasingly aware that they will lose in the next elections is also connected with this. Based on all this, these parties regard the MSZP as their biggest rival. At the same time, I think that the liberal parties are open anyway in this respect, and they see possibilities for consultations about our parties' programs and ideas for the period after the elections. I find this to be extremely important. One thing is certain: If the socialists gain power, this would threaten the prevailing political course in Hungary. We would not continue this policy but would implement a new policy, in agreement with others. Pragmatism would be the essence of this new policy, which would focus on handling the economic and social crisis rather than on

developing a client system. It is obvious that no matter what election results we achieve, the MSZP will not be able to carry this out alone. In my opinion, Hungary is indeed meant for a broad coalition. In June 1993, it is useless to ponder whether it is expedient to also have the current ruling parties participate in a future coalition, because a lot of things can happen until the elections. I think it is much more important to make sure that the various political forces can agree on a national consensus resulting in the strengthening of our system of democratic institutions and in rapprochement.

[Szombathy] You said earlier that no one has to fear any kind of revenge or return to the old ways if the MSZP gains power. Who has anything to fear from your policy?

[Horn] No one. It would be catastrophic for Hungary if the new government started its activity by investigating its predecessor. However, a big problem is what to do with the property that some people amassed illegally. There are numerous signs that there are such phenomena in our society. However, this does not mean calling anyone to account for the past four years.

[Szombathy] Miklos Nemeth's role is an inevitable question. Internal conflicts erupted recently in his institution in London, the EBRD [European Bank of Reconstruction and Development]. At the same time, the name of the former prime minister appears again in the second place on the popularity list. What chances do you see for his return?

[Horn] I do no have detailed information about the debate in London. As for Miklos Nemeth, it is understandable that people feel appreciation for the Nemeth government. However, only Nemeth himself can decide on whether to return. We cannot really influence him in his decision.

Grain Crop Less Than Expected

LD0107152193 Budapest Kossuth Radio Network in Hungarian 1300 GMT 1 Jul 93

[Excerpt] The wheat and barley crop will be 10-20 percent less that expected but there is no reason for panic. The minister of agriculture, giving a briefing on the first production data, also confirmed that there will be enough grain for export as well as for the Hungarian market. [passage omitted]

Walesa Addresses Economic Development Council

LD0107151693 Warsaw Radio Warszawa Network in Polish 1005 GMT 1 Jul 93

[Excerpt] The Presidential Council for Economic Development began its discussions at the Belweder Palace this morning. The draft Charter on Economic Principles of the Polish Republic is being discussed. President Lech Walesa opened the meeting:

[Begin Walesa recording] The time has come when we shall discover whether it makes sense to set up councils. I hope that it does, despite the fact that you have not had much time. You have had less time for your activity than the various parties in existence in Poland. Your effectiveness may lie in the fact that you have not been a political party, either a presidential one or anybody else's party. Sell to Poland what is most important, what Clinton wrote—and what I like very much: Economics, you fool!

Poland needs above all that its economic affairs should be put in order, both when it comes to visions and framework and, at the same time, when it comes to legislation. That is why I deeply believe that your difficult work will see the daylight today and really serve Poland.

I am listening to the results of your work and deeply believe that this is the best program for Poland because the composition of this council guarantees the best program, in my opinion. [end recording] [passage omitted]

Council Approves Draft Charter

LD0107141593 Warsaw PAP in English 1228 GMT 1 Jul 93

[Text] Warsaw, July 1—The Presidential Council for Economic Development on Thursday approved a draft charter of economic principles of the Republic of Poland and handed it over to the president.

The charter defines regulations of economic activity—in common market conditions—which is based on private property and enterprise, freedom of the individual, the right to choose profession and place of living and establish economic institutions.

According to the president, the charter contains the best solutions for Poland's economy. The president asked members of the council's legislative group to check all economic laws from the point of view of their agreement with the regulations proposed in the charter and to suggest necessary amendments.

It would be perfect if the proposed regulations had a form of ready legislative solutions. So far the draft is a collection of wishes and demands of economic circles, the president said. He also added that the charter should be a signpost in the economic development and could be included in programmes of political parties.

According to head of the council, Andrzej Olechowski, the charter contains principles that should guide every economic policy aimed at creating prosperity. It is not, however, a party's programme as it does not contain proposals for specific actions, he added.

"I would like, however, the programme of the BBWR (Non-Party Reform Bloc) to adhere to the charter's principles," Olechowski said.

Government Bans Price Increases

WS0207073993 Warsaw RZECZPOSPOLITA in Polish 23 Jun 93 p 1

[Article by Katarzyna Jedrzejewska: "Zero VAT on Bread; Government Bans Price Increases"]

[Text] From today until 30 September, 1993, the prices of all goods that will be taxed with VAT [Value-Added Tax], as well as the prices of VAT-exempt foods, cannot be increased. The ban does not apply to goods that are destined for export. The Legal Gazette [DZIENNIK USTAW] with a new custom tariff that will come into effect on 5 July, has already been prepared. In addition, there is already an order concerning the list of imported goods and services, with details on their VAT rates. The finance minister will introduce a zero VAT rate on bread. This solution is better than an exemption from this tax.

The ban on increasing contractual prices is introduced with the order of the Council of Ministers of 22 June this year (it will be published in the Legal Gazette No. 52). It will be possible to increase prices only if there are considerations independent of the sellers; that is, for instance, if there are increases in the prices of raw materials, other materials, intermediate products, cooperative goods and services, as well as material services (this does not apply to foods exempt from VAT); if there are higher custom duties or the exchange rates of foreign currencies increases. One of the factors justifying price increases can also be the increasing tax burdens that result from the introduction of VAT and the excise tax.

From now on, those who want to raise a price will have to make a calculation that justifies the increase. The tax control organs will check whether such a calculation has been made correctly.

We do not yet know what has become of the bill of an order which would introduce a zero rate for some kinds of construction works. The works in question are those which will have been finished and sold by the end of 1993. The zero rate would, however, apply only to those who will carry out contracts concluded before 2 March, 1993.

The government ordered that the finance minister exempt from VAT gifts from abroad that are sent for benevolent Church institutions. The government also recommended that sanctions be applied to those managers of state enterprises or State Treasury corporations

whose overdue VAT payments exceed 2 percent of the net sales value obtained after 5 July this year. The directors of state-run enterprises as well as members of the board of directors would be subject to disciplinary sanctions, including the possibility of losing their jobs.

The owners of apartment savings accounts will receive higher guarantee premium sums. The government has accepted a packet of executive acts (mainly orders), which concern the state's aid in paying off housing loans. Among other things, it will be possible to receive a guarantee premium not only in the case of purchasing an apartment in a housing society, but also in the case of exchanging an apartment for another one, rebuilding, or adapting the attic.

Parties View Options for Electoral Blocs

PM0107092893 Krakow GAZETA KRAKOWSKA in Polish 22 Jun 93 p 2

[Ewa Szurminska report: "Together or Separately?"]

[Text] Despite earlier declarations, government coalition parties are still considering the possibility of forming preelection alliances. Last Thursday their representatives met to discuss this idea with Premier Hanna Suchocka. Two variants were considered: a joint coalition in support of reforms, and two separate but not mutually opposed election blocs. The first of these could combine the Democratic Union and the Liberal Democratic Congress [KLD], while the second would be gathered around the Christian National Union [ZChN].

GAZETA KRAKOWSKA asked several leading politicians to evaluate these proposals.

[Piotr Nowina-Konopka, Democratic Union] I am a pessimist when it comes to the project of creating a joint election bloc, although I still believe that it could be a most effective solution. The concept of two separate blocs is much more realistic.

The problem consists in the fact that creation of election blocs is not particularly effective from the viewpoint of the electoral law. The voting system accepted in our electoral procedure (voting by placing crosses against the names of individual candidates) means that particular parties cannot set up an agreement as to the distribution of parliamentary seats because people still vote for those individual candidates and not for parties or programs. Consequently, it can happen that the distribution of seats in the new parliament will not correspond to the previous agreements entered into by the coalition members.

On the other hand, differences in our respective programs should not, in my opinion, constitute an obstacle. Each party is sensitive to certain issues, but until now we have been able to cooperate relatively smoothly. I believe that we should first of all investigate the possibility of setting up a coalition between the Democratic Union and the KLD. On the other hand, we should also—either concurrently or subsequently—examine the possibility of setting up an alliance with the Polish Convention [KP], bearing in mind that the Convention is itself a coalition which combines three different, independent political groups.

[Jacek Kozlowski, Liberal Democratic Congress] I see very little chance of setting up a joint coalition—and, in any case, I do not believe that this could be of any advantage to us. It is difficult to imagine a proportion of the ZChN electorate being able to vote for other political groups; the situation with the Democratic Union and the KLD is quite similar. Rather, I see a chance for creating some fragmentary blocs within the government-supporting coalition.

The Liberals are open to discussion as regards this sphere of concerns, but we consider it essential for the KLD not to lose its own, individual image within the framework of the potential coalition. For the time being, we are waiting for some specific proposals from the Democratic Union. Such proposals should be put to us this week. I should prefer not to prejudge the chances of setting up a preelection bloc before we all hold a debate on the subject.

[Stefan Niesiolowski, Christian National Union] The ZChN Main Board has not made a definitive decision yet, but everything points to the conclusion that the concept of a joint coalition in support of the Suchocka government is not realistic. To begin with, the Democratic Union is against such an idea. It appears that the concept of two blocs, comprising the Democratic Union and the KLD on the one hand and the ZChN and the Peasant Agreement [PL] on the other hand, would have more realistic chances. What happens then will ultimately depend on Polish Convention, which could join either the first or the second bloc.

The "minimum option" program shared by the two blocs should encompass two essential questions: on the one hand, that of responsibility for the state and opposition to political adventurists who, together with the communists, overthrew the Suchocka government; on the other hand, the whole set of economic considerations—the need to overcome the recession, reduce inflation, and stem the growth of unemployment.

[Kazimierz Ujazdowski, Polish Convention] For us the optimum solution, which is still perfectly realistic, would be if the government coalition opted to face the election in a single united bloc. Such a coalition could win about 200 parliamentary seats in the next Sejm. This would be more seats than the last government coalition commanded altogether.

If it proves impossible to set up a coalition, we could join either of the two potential political blocs. Everything will depend on the talks we will hold concerning the bloc programs. If we join the ZChN bloc, there will be a certain difficulty in reaching an agreement over a shared economic program. If we were to join the "Center-Liberal" bloc, we would have to reach an agreement on

foreign policies, a position on the political past, decommunization, and state-church relations.

Electoral Bloc 'Homeland-Polish List' Formed

LD0107184293 Warsaw PAP in English 1740 GMT 1 Jul 93

[Text] Warsaw, July 1—The Polish Party of Old-age and Disability Pensioners (PPER), the national party "Homeland" (SN "Ojczyzna") and the peasant party "Zywia I Bronia" on Thursday established a joint electoral bloc under the slogan of "Homeland - Polish List", leaders of the three groupings announced today.

According to one of the SN "Ojczyzna" leaders Boguslaw Jeznach, the establishment of the present coalition follows the failure of coalition talks with other national parties. Jeznach said the National-Democratic Party was interested in joining the Non-Party Reform Bloc (BBWR), while the National Party, headed by Maciej Giertych, decided to cooperate with the Real Politics Union (UPR).

In the previous elections national parties also failed to form a joint electoral bloc and won no seat in parliament.

New Bank Notes To Be Printed in July

AU0107094693 Warsaw PAP in English 2015 GMT 30 Jun 93

[Text] Warsaw, June 30—The State Printing House (Panstwowa Wytwornia Papierow Wartosciowych PWPW) will begin printing banknotes in July which will come into circulation after the denomination of the zloty, according to information received from PWPW director Stefan Tyminski. The spokesman of the National Bank of Poland (NBP) did not confirm this information, claiming that it was classified.

The new banknote will not include any portraits but rather famous buildings like the royal castles in Warsaw and Cracow.

Tyminski maintained that the banknotes would be harder to forge and would be made with protrusions so that blind people could read their value. He said that because of these additions, the cost of printing the banknotes would increase by around 60-80 percent.

NBP spokesman Tomasz Uchman said that the new issue of the banknotes would only occur if inflation stabilised at a level not greater than the current one and then started to show a tendency to decrease. He added that the public would be informed 6 months in advance of the change over. If favourable macroeconomic conditions occur, the NBP is ready to introduce the new banknotes at any time, said Uchman.

The last introduction of new banknotes in Poland took place in 1950 in a way which meant that many people lost their savings.

Vacaroiu Discusses Agricultural Issues

AU3006184093 Bucharest ROMPRES in English 1449 GMT 30 Jun 93

[Text] Bucharest, ROMPRES, 30/6/1993—Premier Vacaroiu told a press conference on June 30 that in his opinion this year's wheat outcrop would be big enough to rule out imports. He put is at about 5.5 million tonnes, i.e. 2,400-2,500 kg wheat per hectare. He mentioned that the state had already contracted almost 2.2 million tonnes of wheat with farmers. Premier Vacaroiu mentioned a number of measures taken for grain harvesting and storing in good conditions.

As for the price at which wheat will be bought from farmers, it is at present at the level of world prices. He deemed that 100 lei the kilo of wheat from this year's crop, which is what will be offered to farmers, was stimulating. This price will not trigger an increase in the price of bread, which is still made from wheat in store.

The premier announced that steps had been taken for 2 million hectares of crop lands—corn included—to be irrigated. There are prospects for a good corn outcrop, added Nicolae Vacaroiu. He estimated that around 15 million tonnes of grains would be obtained this year as against 9.4 million tonnes in 1992.

Spiroiu Receives Italian Defense Minister

AU0107163393 Bucharest Radio Romania Network in Romanian 1300 GMT 1 Jul 93

[Text] The minister of defense of the Italian Republic, Mr. Fabio Fabbri, who is visiting our country as head of a military delegation, today held talks with the leadership of Romania's Ministry of National Defense.

On this occasion, the minister of national defense, Lieutenant General Nicolae Spiroiu, briefed the Italian military guests on the democratic changes achieved in Romania following the December 1989 revolution and on the process of renewal and restructuring of the Romanian Army, as well as on the Army's role in preserving the stability of Romanian society during the transition period.

During the discussions, the two sides affirmed their common desire to develop cooperation between the two ministries of defense as well as between the Romanian Army and the Italian Army, in the interest of ensuring peace in Europe and throughout the world.

At the end of the talks, the two sides signed a protocol on cooperation between the two armies, the Army Press Bureau informed us.

Iliescu, Fabbri Discuss Cooperation

AU0107192593 Bucharest ROMPRES in English 1718 GMT 1 Jul 93

[Text] Bucharest, ROMPRES, 1/7/1993—Defense minister of Italy, Fabio Fabbri, heading a military delegation which is visiting Romania, had talks on July 1 with the leadership of Romania's Defense Ministry.

Both parties restated during the talks their wish to extend the cooperation between the defense ministries, between Romanian and Italian Armies to the benefit of peace in Europe and the world. A protocol was signed concerning the cooperation between the two armies, Romanian Army's Press Office informs.

Romania's president received Italy's Defense Minister Fabrio Fabbri on July 1. The Italian guest considered his visit in Bucharest as "useful and positive." He stated he was impressed with President Iliescu's decision to keep to democracy. In the context, the Italian minister expressed his country's wish to further support Romania's association to the European Community, the Council of Europe, and other international bodies.

"The European Community must not become a closed fortress it has to get open to the Carpathian-Danubian zone which could represent a bridge onto regions of Asia."

With respect to the cooperation between the two armies, Minister Fabio Fabbri, together with his Romanian counterpart agreed to sign this evening a protocol and in a short while a cooperation agreement. The Italian defense minister mentioned that Italy's President Scalfaro wanted to visit Romania.

Melescanu: 'Nonconventional Dangers' Increasing

AU0107160093 Bucharest Radio Romania Network in Romanian 1300 GMT 1 Jul 93

[Text] The role played by foreign policy in drafting and promoting Romania's national security strategy was the subject discussed today at the National Defense Collegium in the presence of Mr. Teodor Melescanu, state minister and minister of foreign affairs of Romania.

In a statement made to our radio station at the end of the meeting, Melescanu emphasized that the only possible allies for Romania at this time are Western structures and our country's integration into these structures, this being the best guarantee of Romania's national security.

He also stressed that nonconventional dangers—political, economic, and social—are increasing and that, under such circumstances, the role of diplomacy and of political forces in general is extremely important to ensure Romania's security. Domestic social cohesion and our country's standard of socioeconomic development are other elements on which Romania's security depend and efforts are necessary to maximize them.

SRI Briefs Parliament on Foreign Espionage

AU0107103593 Bucharest ROMPRES in English 0859 GMT 1 Jul 93

[Text] Bucharest, ROMPRES 1/6/1993—A number of espionage actions addressed to various spheres of

activity have been traced as part of the SRI counterintelligence activity, shows the report presented by the Romanian Intelligence Service [SRI] to the parliament.

Foreign intelligence services, the report reads, pay utmost attention especially to the economic domain on which are focussed actions of technical-scientific espionage, brain recruitment or illicit leasing of results of Romanian researches in certain domains.

The methods employed by the foreign espionage services varied from imposing the idea that Romania does not possess economic or scientific secrets that have to be protected, to recruiting agents, and direct actions of collection of classified information.

According to the SRI report, a special place in the activity of the foreign espionage services in Romania's territory has been held by intensified collection of military-strategic information and of information required in preparation of military operations.

The arsenal of the methods employed by foreign intelligence services has included also actions of misinformation and inducement of inordinate overreaction in state power representatives, the organization of destabilizing actions and actions pursuing revisionist purposes.

Among other things, foreign spying agencies worked for the fabrication of alleged proofs regarding the absence of rights and liberties for national minorities as well as of other rumors regarding facts, events or actions that were employed in the campaign of slandering Romania abroad, as well as to the end of generating confusion, political, social or ethnic tension as well as tension in Romania's relations with other states.

The Romanian Intelligence Service itself, as well as other bodies with attributions in the domain of national safety have been permanently under the surveillance of the foreign espionage services that do not want other forces to uncover and neutralize their actions.

CDR Willing To Lead Country Out of Crisis

AU0107160693 Bucharest ROMANIA LIBERA in Romanian 28 Jun 93 p 3

[Declaration by Emil Constantinescu, President of the Democratic Convention of Romania: "We Can Guarantee the Construction of a Democratic Romania"]

[Text] The Council of CDR [Democratic Convention of Romania], after debates on current political issues, declares:

1. The latest evolution of events signals an imminent political crisis which has it source in the incompatibility between the priorities that would bring progress to our country, desired by the largest part of our nation, and the narrow interests of the ruling coalition. The position lately adopted by the current majority in Parliament proves the fact that the aforementioned majority opposes the achievement of genuine reform in the field of justice as well as the bolstering of the Romanian economy to make it meet modern economic standards.

2. Even if one of the factions within FDSN [Democratic National Salvation Front] does favor reform, it is quite obvious that it is not sufficiently supported by the whole party and that the president of the country, the most influential person within FDSN, either does not favor reform himself or has lost control over the political party he has created.

3. All this is the price they have to pay for the policy of systematically striking alliances with the most reactionary forces on the current political scale, with extremist parties which are openly cultivating the nostalgia for Ceausescu. CDR has requested that FDSN should clearly detach itself from the ideology of communist restauration and nationalist and xenophobic extremism. Neither FDSN nor the president of the country have stopped displaying political ambiguity, pretending that they are implementing reform by means of political forces and personalities that are bitter adversaries of any reform. The consequences of such political confusion have become visible to everyone and make it impossible for us to reach our primary national goal, which is achieving progress and prosperity in Romania.

4. CDR has not ceased to express its disapproval of that political duplicity. Our suffering continues as a direct consequence of this uncertain, ambiguous, and parade-like transition period. The whole nation has been suffering over the past three and a half years owing to the lack of a political will firmly determined to implement reform—which was always promised and then postponed—and owing to the inability of the ruling party to develop a proper policy and to act accordingly.

5. Under such circumstances CDR believes that entrusting the country's government to the democratic forces actively supporting reform is the only way to put an end to the current crisis. CDR already stated this consideration during the [1992] election campaign and its various actions and initiatives have proved that a large concentration of forces supporting the idea of modernizing Romania and promoting democracy could actually be achieved within the Romanian state and societal structures. The recent document on political cooperation signed by the various parliamentary parties reunited within CDR is aimed precisely at that goal and is the continuation of the ensuing CDR policy, which we fully support.

6. CDR is ready to expand such forms of cooperation with all democratic and progress-oriented political forces and personalities, because it believes that all incidental interests are far less important than the major interests of the country. Romania must overcome the current stage of economic stagnation and political crisis and find its way to prosperity and democracy.

7. CDR, which so far has never promised anything it could not accomplish, holds both immediate and long-term solutions to put an end to the current crisis situation. WE CAN establish an institutional system that would ensure that laws are observed, corruption at the highest levels is eradicated, and citizens are protected. WE CAN proceed rapidly on the way of reform and prosperity. WE CAN guarantee the construction of a democratic Romania, which has inner stability and is open to real integration within modern society.

Liberal Civic Group, Liberal Party-1993 Merge

AU0107161093 Bucharest CURIERUL NATIONAL in Romanian 28 Jun 93 p 1

[A Dobre note: "Alexandru Paleologu Is Resigning"]

[Text] Mr. Alexandru Paleologu, the president of the Court of Honor and Dignity within the Party of Civic Alliance [PAC], has resigned. He explained this decision with the fact that no measures have been taken about certain violations of the law committed at the party congress in Timisoara two months ago. Similarly, we note that Mr. Paleologu is a member of the Civic-Liberal group.

We have learned from different sources that this week, the Civic-Liberal group will merge with the Liberal Party-1993.

Foreign Capital Totals $672 Million

AU0107155493 Bucharest ROMANIA LIBERA in Romanian 28 Jun 93 p 4

[Mihaela Pantea note: "More Than $672 Million Foreign Investments in Romania"]

[Text] On 31 May 1993 economic organizations with state, private, or mixed capital were as follows: 255,709 trade companies with private capital; 8,140 trade companies with state capital; and 908 public corporations. By mid June 1993, the share of foreign capital totaled $672.3 million spread among 25,806 trade companies. The number of private entrepreneurs amounts to 215,233, 69,458 of which are family businesses and 135,775 independent ones.

Foreign Media Bulletin: Balkan Crisis 15 June
WA0207170893

The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.

SUMMARY

Stoltenberg proposal on new format for international conference on former Yugoslavia rejected by FRY ... Sarajevo leaders on hunger strike ... Draskovic on hunger strike ... Growing evidence of Serbs, Croats fighting against Muslims ... Muslims apparently defeated in Zepce, Maglaj ... Gorazde still under siege, while aid convoys being blocked by Serbs ... RSK reports renewed attacks by Croatian forces.

POLITICAL

STOLTENBERG PROPOSAL REJECTED (TANJUG): EC mediator Stoltenberg proposes new format for international conference on former Yugoslavia; rejected by FRY on grounds that it "would contradict the basic principles of the UN Charter on the inviolability of sovereignty and on the respect of the state's national interest." (LD0107140193, LD0107143293)

SARAJEVO LEADERS ON HUNGER STRIKE (Sarajevo Radio): Sarajevo City Assembly Presidency members begin hunger strike protesting lack of humanitarian aid, which will continue "until conditions are met." (AU0107172493)

DRASKOVIC BEGINS HUNGER STRIKE (Zagreb Radio): Serbian dissident Draskovic refusing food and medication; states that he has "decided to die in order to deprive of their enjoyment those who have condemned him to a slow death in a rat-infested prison." (LD0107211593)

MILITARY

SERBS, CROATS AGAINST MUSLIMS (TANJUG, AFP, Zagreb Radio): UNPROFOR cites "growing evidence of collusion between Serb and Croat forces" around Zepce, Maglaj, where Muslims have apparently been defeated, although "extreme group of green berets, mojahedin" putting up resistance. "Wave of 10,000 refugees" reported. Serbs claim "no involvement whatsoever." Traditional alliance between Muslims and Croats against Serbs being maintained around northern town of Brcko. (AU0207062593, AU0207114593, LD0107121593, LD0207130193)

GORAZDE STILL UNDER SIEGE (Zagreb Radio, AFP, Belgrade Radio,TANJUG): Serbs continue attack on Gorazde; press center reporting "heavy civilian casualties." Aid convoys held up by Serb forces, while food packages parachuted by U.S. planes were intercepted by Muslim "militia." Meanwhile, "constant attacks" by Muslims being reported at Doboj; HVO attacking Muslims in Jablanica. (LD0107162693, AU0107142693, AU0107161893, LDO207104693)

CROATIAN FORCES ATTACK KRAJINA (TANJUG): Croatian forces renew attacks using "all available weapons" on Benkovac, Obrovac in southern RSK. (LD0107130893)

Muslims Appear Defeated in Zepce, Maglaj

LD0207130193 Zagreb Radio Croatia Network in Serbo-Croatian 1200 GMT 2 Jul 93

[Text] Fighting is underway in Zepce, Zavidovici, and Maglaj. Muslim forces in Zepce have been routed, but an extreme group of some 20 green berets and mujahedin, led by criminal Nantez Brotic, are putting up resistance although they are encircled.

The recovery of hundreds of dead civilians is underway in the town of Zepca.

On the Zavidovic battlefield, Muslim forces are attacking the Croat villages of (Biljacic), (Debelo Brdo), and (Dolina) in an attempt to link-up with Maglaj units. Soldiers of the 111th HVO [Croatian Defense Council] brigade are successfully repelling all attacks and are launching counteroffensives. An important high point near Zavidovici was captured early this morning.

Serbs, Croats Allied

AU0207101193

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian, at 0800 GMT on 2 July, within its regular 20-minute newscast, carries several reports on the fighting in the Republic.

In his report from Maglaj, Hajrudin Sermic says that "battles for the defense of Maglaj continue. The town has been occupied and fiercely attacked by extremist units of the Croatian Defense Council [HVO] and the Chetniks who moved onto the positions that used to be controlled by the units of the HVO." Further on in his report, Sermic says that "the enemy is constantly pounding civilian targets in town [words indistinct] with artillery and tanks."

A studio announcer says that "on the Zavidovici battlefield, Chetniks and members of the HVO with joint forces attack the positions of the Army of Bosnia-Herzegovina from the direction of the Krivaja River valley. Yesterday, Chetniks begun a strong attack on Olovo. Defense lines (?have remained) firm. Bugojno was shelled from the direction of (?Koturnica) yesterday."

A studio announcer says that "the situation in the center of the Gorazde region is extremely dramatic. People in the suburbs are calling for help. The aggressor was shelling roads the entire day yesterday."

An unnamed correspondent reports from Kladanj saying that "there was no peace in the zone covered by the Third Operation Group yesterday and last night as well. Chetniks continued provocations from antiaircraft guns, antiaircraft machine-guns, and infantry weapons, also using splinter ammunition. On several occasions during the day, Chetniks shelled Olovo, Bahic, and (Krusevo), and Golo Brdo with a 155-mm howitzer, and 82-mm and 120-mm mortars. Another group positioned at (?Svilanjsko) Hill and [name indistinct] shelled Kladanj with a 122-mm howitzer and Prijevor and Ravne with a recoilless gun and a 82-mm mortar."

An unnamed correspondent reports from Gradacac about "new truce violations in the Gradacac region yesterday. Chetniks opened infantry fire mostly using M-84 machine-guns. The town's industrial zone was shelled with 82-mm mortar bombs from the occupied part of (?Sibinac)." Further on, the report says that "combat operations were reduced during the night, only mortars fired from Krecane Gornje on (?Rajska) and Novalici."

A report by Hamiz Deronjic and Nihad Salihovic says that "last night, the Serbian-Montengrin aggressors failed to undertake any more intensive activity in the Brcko battlefield during last night."

Reporting from Jablanica, Haldo Dervisbegovic says that "an illusory lull reigns in Jablanica during the night and this morning. [words indistinct] extremists of the HVO launched (?more than) 150 shells of a large destructive power. Damage on residential buildings is huge." Further on, Dervisbegovic says that "yesterday afternoon, mortar bombs launched from [words indistinct], by fighters of the HVO, were falling in the close vicinity of [word indistinct] Spanish battalion of UNPROFOR. Two members of the Spanish battalion were wounded [names indistinct]."

A studio announcer says that "last night in Sarajevo was marked with strong enemy provocations at the defenders' lines. Reports, sent by public security stations, say that during last night several shells fell on the region of (?Sokolje) and (?Zabrdje) and the latter was pounded from an antiaircraft machine-gun as well. Chetniks opened fire from [words indistinct] and an antiaircraft gun, as well as infantry weapons at all parts of Dobrinja during last night."

Serbs Claim 'No Involvement'

LD0107121593 Belgrade TANJUG Domestic Service in Serbo-Croatian 0947 GMT 1 Jul 93

[Text] Bratunac, 1 July (TANJUG)—Ferocious fighting between Muslim and Croat formations for control over Zepce, Maglaj, and Zavidovici has been raging for three days running with no involvement whatsoever of the Serb side, which has assumed the role of observer. Serb units are deployed along positions in the direction of Mount Ozren, the main headquarters of the Serb republic's army told TANJUG's correspondent today.

According to the same source, the main headquarters has enabled a 14-truck humanitarian convoy, dispatched by the UNHCR [UN High Commissioner for Refugees] and the International Red Cross Committee, and escorted by five UNPROFOR [UN Protection Force] armored personnel carriers, to enter Gorazde this morning.

Since all humanitarian convoys so far have passed through the territory of the Serb republic unhindered and in complete safety, it is not difficult to assume that the humanitarian aid for Gorazde needed armed escort exclusively because of its passage through areas controlled by the Muslims, Serb military sources claim.

It was absolutely calm last night and today in the Bratunac and Zvornik regions, downstream from Gorazde on the left bank of the Drina river.

UNPROFOR Reports

AU0207062593 Paris AFP in English 0433 GMT 2 Jul 93

[Text] Vitez, Bosnia-Herzegovina, July 2 (AFP)—Serbian and Croatian forces have defeated Bosnian government troops in the towns of Zepce and Maglaj in northern central Bosnia, according to independent military sources.

The development came as U.N. Protection Force (UNPROFOR) officials said there is growing evidence that Serbian and Croatian forces are collaborating against the mainly-Moslem Bosnian troops.

Major Jose Gallegos, an UNPROFOR spokesman in Sarajevo said recent movements of Croatian and Serbian troops and armour around Zepce "seem to indicate a collusion between Serb and Croat forces."

After the rout in Zepce and Maglaj, major Bosnian army movements were reported from near the two Moslem strongholds of Zenica and Travnik, the independent military sources said Thursday.

Hundreds of armed Moslems were seen moving on both sides of the Bosna River valley as shots were fired and artillery fire resounded east and west of the Croat-held Vitez pocket, between Travnik and Zenica.

In other accounts of apparent Croat-Serb alliances, British U.N. Colonel Patricia Purves said three Serbian tanks had recently passed unhindered into Croatian territory near Kiseljak, a Croat-held town near Sarajevo.

She said Croatian soldiers were even reported to have been taken on board by the Serb tanks, which headed towards the town of Kresevo in Croat-held territory, although she stressed that this had not been confirmed.

There were also reports of meetings between Croat and Serb officers, she said, as well as of Serbs and Croats fighting together against Moslem positions after being taken to the front in the same transport.

These reports in particular concerned the area around Zepce and Maglaj, she said. By contrast, the traditional alliance between Moslems and Croats against Serbs was being maintained around the northern town of Brcko, she added.

Meanwhile Bosnian President Alija Izetbegovic asked for immediate assistance from the U.N. High Commissioner for Refugees (UNHCR) to avert famine after humanitarian convoys were blocked, Radio Sarajevo said.

Izetbegovic said in a letter to UNHCR chief Sadako Ogata that the towns of Gorazde, a Moslem enclave designated as one of six U.N. safe havens, Tuzla, Mostar, Sarajevo and many others were threatened by famine.

Serbian civilians or troops Thursday prevented at least three U.N. convoys from reaching their destinations in Bosnia, according to the UNHCR.

An eight-truck convoy that left for Gorazde early Thursday was held up by civilians, mostly women, at Medjedja, northeast of Gorazde. Some women called for Serbian prisoners to be freed in the enclave.

Serbs stopped another convoy which left Belgrade also Thursday for Sarajevo at Zvornik on the Serbo-Bosnian border saying 500 German marks (295 dollars) would have to be paid for each truck to pass.

A third convoy was stopped by Serb forces outside Sarajevo for carrying a bullet-proof jacket and a helmet too many.

Sarajevo city authorities meanwhile said in letters to the U.N. Security Council, the European Community and mayors worldwide that they had gone on a hunger strike, as of Wednesday, to protest the scarcity of food in the Bosnian capital.

The UNHCR said Wednesday it would dramatically cut food rations over the next months due to supply problems.

'Wave of 10,000 Refugees'

AU0207114593 Paris AFP in English 1130 GMT 1 Jul 93

[by Pascal Barollier]

[Text] Vitez, Bosnia-Herzegovina, July 2 (AFP)—Serbian and Croatian forces have defeated Bosnian government troops in the towns of Zepce and Maglaj in northern central Bosnia, military sources said, forcing thousands of civilians to flee Friday.

A wave of some 10,000 refugees were fleeing advancing Serbian tanks, the Red Cross estimated, as U.N. Protection Force (UNPROFOR) officials admitted there was growing evidence that Serbs and Croats were collaborating against the mainly-Moslem Bosnian troops.

Major Jose Gallegos, an UNPROFOR spokesman in Sarajevo, said recent Serb and Croat troop movements around Zepce "seem to indicate a collusion between Serb and Croat forces."

A spokesman for the U.N. High Commissioner for Refugees (UNHCR) said the mass of civilians was heading south in a probable bid to reach already overpopulated Zenica, one of two Moslem strongholds where independent military sources on Thursday reported extensive Bosnian troop movements.

Lieutenant-Colonel Alastair Duncan, commander of the British battalion here, said Moslem units had become isolated in a new pocket in northern central Bosnia, cut off by Serb and Croat forces.

He quoted an explanation given by a Croat high military official: "There are three sides, you cannot fight both of

them, therefore you must ally with one," adding it was "safe to assume that the Maglaj finger is cut."

The Moslems seemed still in position between Doboj and a line running north of Maglaj as fighting continued south of Zepce.

But Moslems also came under the cosh in their eastern Bosnian enclave of Gorazde—one of six U.N.-declared safe areas and desperately short of food—where renewed Serbian shelling early Friday killed at least four and wounded five, the UNHCR in Geneva reported.

And firing between Croats and Moslems continued Friday in the southern Bosnian town of Mostar after a night of fierce infantry clashes in the town centre, a Croatian forces spokesman said.

Hundreds of armed Moslems were seen moving on both sides of the Bosna River valley near Zenica and Travnik as shots were fired and artillery fire resounded east and west of the Croat-held Vitez pocket, between Travnik and Zenica, military sources said.

The wave of refugees was bound for Zenica which was already completely submerged with humanity, the UNHCR spokesman said, estimating that some 35,000 civilians have fled fighting in the region in recent weeks.

Some 100,000 people were now living in northern central Bosnia, all of whom could be considered potential refugees, the spokesman added.

Meanwhile in other accounts of apparent Croat-Serb alliances, British U.N. Colonel Patricia Purves said three Serbian tanks had recently passed unhindered into Croatian territory near Kiseljak, a Croat-held town near Sarajevo.

There were also reports of meetings between Croat and Serb officers, she said, as well as of Serbs and Croats fighting together against Moslem positions after being taken to the front in the same transport, particulary around Zepce and Maglaj.

But the traditional alliance between Moslems and Croats against Serbs was being maintained around the northern town of Brcko, she added.

The town is the site of the narrow link between the Serbs' western territories and those in eastern Bosnia, which UNPROFOR observers said the Serbs could by trying to widen.

Bosnian President Alija Izetbegovic earlier asked for immediate assistance from the UNHCR to avert famine after at least three U.N. humanitarian convoys were blocked by Serbs, Radio Sarajevo said.

Izetbegovic said in a letter to UNHCR chief Sadako Ogata that Gorazde, where the UNHCR reported on Friday that militiamen were seizing air-dropped aid, Tuzla, Mostar, Sarajevo and other areas were threatened by famine.

Serbs Shell Gorazde; Aid Fails To Arrive

LD0107162693 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 1 Jul 93

[Text] The Serbs launched a heavy artillery attack on Gorazde this morning. About 30 shells had landed in the town center by noon. The press center reports heavy civilian casualties, but the exact number of victims cannot be determined because of the constant shelling. Medical teams are trying to assist all the seriously wounded, but there is an oxygen shortage at the local hospital. The Gorazde defense lines remain unchanged.

The same source reports that the humanitarian aid convoy has still not arrived in Gorazde, nor have the wounded been evacuated.

The Serbs shelled the defenders' positions and settlements on the Kladanj front this morning.

The Serbs are firing howitzer and mortar shells on positions held by the defenders of Olovo, Bosnia-Herzegovina radio reports.

U.S. Aid Intercepted

AU0107142693 Paris AFP in English 1350 GMT 1 Jul 93

[Text] Sarajevo, July 1 (AFP)—Scores of shells rained down Thursday on Gorazde, a Serb-besieged town in eastern Bosnia that is one of six U.N.-designated safe areas, a spokesman for the U.N. High Commission for Refugees said here.

The shelling, which left an unknown number of casualties, occurred as a convoy carrying 80 tons of humanitarian aid finally left for the town after being held up by Serb forces for five days on the road to Gorazde.

U.S. planes meanwhile parachuted a new batch of 66 food packages into Gorazde, but Moslem militia confiscated many of them, meaning the aid would fail to reach the local people who needed it, the U.N. spokesman said.

A total of 44 shells fell near buildings housing six U.N. observers allowed to stay in the city by Serb forces who have surrounded it sinces its effective capitulation three months ago.

Gorazde was designated a "safe area," theoretically under U.N. control, on May 6 along with Sarajevo and four other Moslem cities and enclaves.

Two enclaves in eastern Bosnia, Zepa and Srebrenica, have been demilitarised. But in Gorazde there is not even a ceasefire, a spokesman for the U.N. Protection Forces (UNPROFOR) acknowledged.

"Just because the (U.N.) Security Council decides it, it doesn't mean it becomes instantly a safe area," the officer said.

A convoy of eight trucks meanwhile left for Gorazde, having tried unsuccessfully for five days to get permission from Serb forces to proceed under U.N. escort.

The trucks eventually left accompanied by an armour-plated Land Rover and another armour-plated vehicle belonging to the U.N. military observers.

Four Killed

LD0107211793 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 2000 GMT 1 Jul 93

[Excerpt] Several hundred shells fell on Gorazde during the day and this evening from Chetnik positions around Cajnice. Chetniks from Foca also shelled Gorazde with all available weapons. The end result of this day-long barbaric attack was four killed and six wounded. A four-year-old girl was among those killed.

The aggressor artillery also pounded defense lines. Small arms were used at times. The frontline with Rogatica was the only quiet area. [passage omitted]

Constant Muslim Attacks Reported at Doboj

AU0107161893 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 1 Jul 93

[Zoran Grgurevic report from Doboj]

[Text] East of Doboj, the [word indistinct] enemy is constantly attacking the defense positions as well as the town of Doboj, where a grenade fired from the direction of Glokotnica killed a 10-year-old child and injured one woman.

In the (?Seca) river valley battles, the Serbian fighters in a counteroffensive destroyed several enemy trenches and bunkers. One Serbian and numerous enemy soldiers have perished on this occasion.

The fiercest clashes ever are taking place on the Zavidovici battlefield, where the Muslims do not hesitate to use all available means. They launched more than 30 grenades filled with sodium and glass at the region of Sizje, Gorica, Milino Selo, Panjik, and Rosulj, followed by a powerful infantry attack which was successfully rejected with considerable losses on the Muslim side and three injured soldiers on the Serbian side.

The battles continue in this area.

Muslims Report HVO Attacks Near Jablanica

LD0207104693 Belgrade TANJUG Domestic Service in Serbo-Croatian 0947 GMT 2 Jul 93

[Text] Belgrade, 2 July (TANJUG)—A deceptive lull reigned in Jablanica in the night between Thursday [1 July] and Friday, Muslim radio Sarajevo reported on Friday morning citing its correspondent in that town.

The same source reports that on Wednesday and Thursday members of the Croatian Defense Council [HVO] fired more than 150 artillery shells of great destructive power on Jablanica and surrounding Muslim villages, inflicting huge material damage on residential buildings and industrial facilities. One civilian was killed and six were wounded.

Mortar shells fired from HVO positions fell on Thursday afternoon very near the base of UNPROFOR's [UN Protection Force] Spanish battalion, wounding two Spaniards, the Muslim radio adds.

Croats Attempting To Prevent Muslim 'Linkup'

LD0207102393 Belgrade TANJUG Domestic Service in Serbo-Croatian 0833 GMT 2 Jul 93

[Text] Belgrade, 2 July (TANJUG)—Fighting took place late last night some 10 kilometers north of Mostar. Croatian Defense Council [HVO] forces managed to recapture certain strategic points so that the possibility of a linkup between Muslim forces from Mostar and Jablanica has now become more remote, Croatian radio reported this morning.

The same source reported that five HVO soldiers lost their lives in the clashes while another 40 were wounded. The Muslims killed five Croat civilians and took many prisoners in Bijelo Polje near Mostar.

Fighting in Mostar Between HVO, Muslims

LD0107191693 Zagreb HTV Television in Serbo-Croatian 1730 GMT 1 Jul 93

[Excerpts] Initial successes, which were scored by the Muslim army in yesterday's attacks on the Tihomir Misic barracks and Croat areas in Bijelo Polje near Mostar, have been practically annulled, the South-Eastern Herzegovina operational zone disclosed in a statement. The statement adds that this has been done due to a considerable response by able-bodied men from Mostar and other west Herzegovina municipalities.

Croatian Defense Council [HVO] units are engaged in fierce battles with Muslim forces. They are taking over control of the areas captured yesterday, and are thus breaking the morale of the Muslim army and destroying its plans to linkup with forces in Jablanica.

Fire is being opened from all types of infantry weapons along a temporary demarcation line in the city itself. Several homes in the city have been again set ablaze, and it is impossible to quench fires because of the proximity of fighting.

Five HVO members have been killed and 40 seriously and lightly wounded in the latest outbreak of fighting. A large number of wounded civilians are in the Mostar hospital. The exact number killed is still not know. It is feared that the number of dead is considerable. [passage omitted]

When considering the current security situation in Mostar, the Mostar-branch of the Muslim Party of Democratic Action and its executive committee issued a statement from today's emergency session. The statement is signed by Muharem Alic and Ismet Hadziosmanovic. The statement says among other things:

We condemn actions and crimes committed against the innocent Croat people in the Mostar municipality by

monsters among the Muslim nation led by war criminal Arif Pasalic, commander of the fourth corps of the so-called Bosnia-Herzegovina Army. We express our deepest sympathies to the families of the killed HVO soldiers and Croat civilians. In order to secure the biological survival of the Muslim nation, we send perhaps the last appeal to reason and to Muslim and Croat nations to forge historical ties.

The Muslim army aggression against central Bosnia is continuing. Zepce and Novi Seher are being attacked from the direction of Kakanj and Zenica. The attacked places are under the complete control of HVO units, following the surrender of 319th mountain brigade of the Muslim army. [passage omitted]

NATO Fighters Overfly Banja Luka

LD0107143793 Belgrade TANJUG Domestic Service in Serbo-Croatian 1353 GMT 1 Jul 93

[Text] Banja Luka, 1 Jul (TANJUG)—NATO fighter planes supervising operation "Deny Flight" broke the sound barrier over Bosnian cities at 1358 [1158 GMT] today.

The NATO planes were on a supersonic flight between Banja Luka and Laktasi. According to the Banja Luka early warning center, the planes resumed their show of force by overflying Banja Luka at low altitudes at 1425.

Sarajevo Leaders Begin Hunger Strike

AU0107172493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 30 Jun 93

[Mladen Bosnjak report]

[Text] At an extraordinary session held this (?afternoon), the Sarajevo City Assembly Presidency again reviewed the current situation in the city as regards the supply of minimum quantities of food, water, electricity, and gas, and concluded that despite the measures taken, no significant improvement could be expected. [words indistinct] the following:

The Presidency of the Sarajevo City Assembly will commence a hunger strike today, 30 June 1993 at 1700 [1500 GMT]. It informs the international humanitarian center that they will establish a [words indistinct], which will give the City Presidency members a medical examination, and which will establish a committee for monitoring the application of the principle of [words indistinct]. The hunger strike will continue until the following conditions are met:

Until every citizen in the city is supplied with a daily minimum of 50 percent of their quota of humanitarian aid, which, according to the United Nations High Commissioner for Refugees' [UNHCR] norm, is 350 grams of food in (?UNHCR) food packages.

Until the city is supplied with a minimum of 30 percent of the necessary [word indistinct] of drinking water.

Until the necessary amount of electricity for essential services and [words indistinct] minimal for the population is secured.

The Sarajevo City Assembly Presidency informs the international and domestic public that the strike will take place in the offices of the Sarajevo City Assembly. In this way, by accelerating the decision to go on hunger strike, the City Assembly Presidency has somewhat [words indistinct]. It had been said at the International Press Center that the hunger strike would probably commence [words indistinct] next week. But the decision made at the extraordinary session means that the City Assembly Presidency will commence the hunger strike today at 1700.

Izetbegovic Appeals to UNHCR for Additional Aid

AU0107185293 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 1 Jul 93

[Text] In addition to the war, Bosnia-Herzegovina is also threatened by a humanitarian catastrophe. The situation is already alarming, and there is a threat of wide-scale escalation in the near future. [Words indistinct] our correspondents on the ground report on this every day. Prompted by the increasingly serious humanitarian situation in our country, Alija Izetbegovic, President of the Bosnia-Herzegovina Presidency wrote to Mrs. Sadako Ogata:

The exceptionally serious situation which arose [words indistinct] is getting worse every day. The shortage of food is obvious in all of Bosnia-Herzegovina. Supplies are rapidly being consumed and people are literally starving. The convoys meant for besieged cities are purposely halted to stop them from reaching their destinations while thousands of people await them as the last chance for survival.

Gorazde, Sarajevo, Tuzla, Mostar, and many other places are the victims of an unheard of campaign of exhaustion through starvation, but also of a shortage of water and energy, despite all our efforts. I appeal to you gentlemen to use all your influence to secure additional funds for aid for Bosnia-Herzegovina, and to demand safe passage for your convoys, as has been stipulated by UN Security Council Resolution 836. For our part, as always, we will extend our cooperation to the UNHCR on the ground (?for) the realization of your inspired mission.

The above is stated in the letter by the President of the Bosnia-Herzegovina Presidency Alija Izetbegovic.

Silajdzic Writes to Christopher About Lifting Embargo

AU0107162493 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 1 Jul 93

[Text] Haris Silajdzic, foreign minister of Bosnia-Herzegovina, has written to U.S. Secretary of State Warren Christopher, expressing satisfaction that the representative of the United States in the United

Nations supported the [word indistinct] of the arms embargo for Bosnia-Herzegovina, even though the resolution was not adopted.

[Words indistinct] stipulated by the embargo, we were also convinced that this was the way to decrease the enormous disparity in armaments, which has so far been a serious obstacle to negotiations. Therefore, the lifting of the embargo is not a goal in itself, but an instrument with which to achieve the final goal, which is the halting of the aggression against the Republic of Bosnia-Herzegovina through negotiations.

The commitment of the Republic of Bosnia-Herzegovina's Government to finding a solution through negotiations has been confirmed by the participation of Bosnia-Herzegovina representatives in all the peace initiatives and meetings, including the signing of the Vance-Owen peace plan [the letter reads]. Mr. Secretary, I am [words indistinct] of these initiatives, because there is a lack of some kind of (?firm) international guarantee, which is [words indistinct].

We are convinced that [words indistinct] is a focus of your attention and evaluation with the goal of finally solving this problem and with the goal of the London Conference coming to a decision [words indistinct] of (?23) August 1992. In this regard, we hope that the the U.S. Government will secure the active and direct participation of (?its) representatives in the negotiating process and we are ready to respond to (?principled) initiatives in this respect.

The United Nations Protection Force's and the United Nations High Commission for Refugees' announcement concerning the supply of food, water, and electricity to the population will hinder the creation of favorable conditions for a successful peace initiative. This is stated in Minister Silajdzic's letter to Secretary of State Christopher.

Prime Minister Asks UN To Halt Muslim Aggression

LD0107205993 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 1 Jul 93

[Text] Bosnia-Herzegovina Prime Minister Mile Akmadzic [a Croat] has sent a letter to the United Nations secretary general, the president of the Security Council, and the cochairmen of the conference on former Yugoslavia.

He informed them about a brutal offensive on Mostar launched by the Muslim army, that resulted in a large number of killed and wounded and in Croats again being expelled from their homes. The aim of this offensive is to prevent the implementation of the reached peace agreements, to thwart the peace process, and to delay talks about the future system in Bosnia-Herzegovina, Akmadzic says.

He demands from the organizations to which the letter has been sent to undertake the necessary measures to end the Muslim aggression.

HVO Orders Conscripts To Return to Municipalities

LD0207111393 Zagreb Radio Croatia Network in Serbo-Croatian 1000 GMT 2 Jul 93

[Text] The Croatian Defense Council [HVO] in Livno has issued an order to all conscripts from the territory of the Livno municipality currently residing in the Republic of Croatia to report to the Livno defense office within 24 hours, while those who are abroad, should do the same within 72 hours.

Conscripts residing abroad with temporary permits are duty-bound to report to the Livno defense office within the stated period of time, the order says.

The HVO in Jablanica has also called up all conscripts who are not on the territory of that municipality. Conscripts are to report to the HVO's defense office in Jablanica as soon as possible in order to join defense units.

HVO Informs Morillon of Continued Muslim Aggression

LD2906101693 Belgrade TANJUG in English 0951 GMT 29 Jun 93

["Pool" item]

[Text] Belgrade, June 29 (TANJUG)—Bosnian Croat ranking officers have informed UNPROFOR [UN Protection Force] Commander for Bosnia-Herzegovina Gen. Philippe Morillon about the continuing Moslem aggression on their positions in central Bosnia.

Deputy Commander of the Croatian Defence Council (HVO, Bosnian Croat armed formations) Slobodan Bozic and member of the HVO leadership Gen. Ranko Matic told Gen. Morillon in Medjugorje (western Herzegovina) that the "Moslem aggression on HVO in central Bosnia is continuing," Croatian Radio said.

It quoted Gen. Morillon as saying that he had conveyed his concern directly to Vice-President of Bosnia's rump presidency Ejup Ganic who told him that these actions were carried out "by Mojahedin, and were not planned actions by the Moslem Army."

The radio reported late on Monday night that HVO troops repelled a strong Moslem infantry assault in the region of Zepce, in northern Bosnia-Herzegovina, and in a counterattack managed to liberate several villages. HVO sources said that 20 soldiers and at least 100 civilians died in the battles for Zepce.

Croatian Radio gave no information about Moslem losses, but said that over 1,000 Moslem troops surrendered after the HVO action.

Croat Leader on Clashes With Muslim Forces

LD0107140493 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 1 Jul 93

[Excerpt] [Passage omitted] Mate Boban, president of the Croat community of Herzeg Bosna, assessed the latest aggression launched by the Muslim army against the Croat people and territories in the Mostar valley thusly:

[Begin Boban recording] Commanders of Alija's [Izetbegovic] army, under his command, have committed horrendous crimes, including a crime in Mostar. This crime occurred more than a month ago, on 9 May, when these forces unsuccessfully attacked Mostar.

Now, with the help of Muslims who were in the HVO [Croatian Defense Council] ranks, they managed to get themselves organized from within, that is on the left bank of the river Neretva, and they managed to score some initial—what they call—victories. Any sign of victory over the Croat people in Herzeg Bosna by anyone is just an illusion. We shall certainly defend our rights in Bosnia-Herzegovina. [end recording]

Alija Izetbegovic's army today continued infantry and artillery attacks on Novi Seher and Zepce from the direction of Zenica. The 111th HVO brigade is still firmly holding defense lines and is controlling the town, where some 40,000 people are without food, electricity, or water. The Muslim artillery is today pounding the center of Novi Travnik. HVO units have repelled an infantry attack in the vicinity of this town. (Bosnjakov Gaj), in the Travnik municipality, is also being attacked. Sporadic fighting is erupting around Kresevo and Kiseljak.

SDA Founder, Army Commanders Arrested

LD0207094093 Belgrade TANJUG Domestic Service in Serbo-Croatian 0821 GMT 2 Jul 93

[Text] Ozren, 2 July (TANJUG)—Irfan Ajanovic, one of the founders of the Party of Democratic Action [SDA—Stranka Demokratske Akcije] in the former Bosnia-Herzegovina and the former president of the Assembly of the Socialist Federal Republic of Yugoslavia, has been arrested in Zepce, Serb Radio Ozren reported this morning, citing Croat military sources close to the radio.

The same source reports that all members of the command of the army of the so-called Bosnia-Herzegovina, which led the operations in the area, have also been arrested in Zepce.

Problems With Implementing Security Zones Viewed

AU0107200693 Belgrade VOJSKA in Serbo-Croatian 17 Jun 93 p 12

[Article by Milan Mijalovski: "Security Zones of Illusions and Risks"]

[Text] The UN Security Council recently adopted a resolution indicating the way in which the security zones in the former Bosnia-Herzegovina would be protected. There is a big difference, though, in the implementation of the said resolution. Only those people who do not know (or do not want to know) about the war in Bosnia can think that proclaiming six security zones (Sarajevo, Srebrenica, Zepa, Gorazde, Tuzla and Bihac) is a wise and appropriate decision.

The following facts systematically negate the validity of this decision. First, although the civil war thesis is becoming more and more accepted, the Serbian republic of Bosnia-Herzegovina and the Federal Republic of Yugoslavia are still considered aggressors. Second, although there are verbal accusations, Croatian aggression in this area and ethnic cleansing committed by the Croatian Defense Council are still being tolerated. Third, constant ethnic cleansing and cyclical offensives committed by Muslims are accepted. Fourth, it is evident that conditions for the materialization of the following thesis are being created: "The Serbs will not be allowed to keep all the territories they now have, but they will not be forced to withdraw their forces from them at first."

Who Is Protecting Whom [subhead]

Ignoring the fact that the Serbian territory (east of the Neretva River) was occupied by the Croatian Defense Forces, and the announcement that the security zones will be enlarged, are also reliable indicators negating the validity of the decision about the security zones and especially the definition of their borders. Hypocritical and somewhat amusing is the intention to protect Muslims from "Serbian aggression" because the Muslims are trying to occupy the whole territory of Bosnia-Herzegovina in a total offensive against Serbs and Croats.

The UN Security Council estimated that the security zones can be protected by approximately 5,000 soldiers. The possibilities of success in this operation, no matter what kind of weapons they use, are minimal. There would be one battallion stationed in every zone that would successfully monitor the operations of the war factions, but it cannot protect anything or anybody. Since these zones have nothing to fear from elsewhere, although Serbian aggression is mentioned all the time, a series of logical questions arises: From whom will the zones be protected, from which countries will the soldiers come and how will they perform their tasks?

The answer is simple: Because the UN Security Council's decision is inadequate, the UN Protection Force task will be exceptionally complicated. An important prerequisite for the implementation of this decision is the demilitarization of the security zones, but the Muslims have rejected such a solution several times already. They either do not trust the protectors or they want to protect themselves with their help. This fact will, however, affect the relations between the Muslims and the UN Protection Force. It can be expected that every attempt made by the UN Protection Force to disarm the Muslims will face fierce resistance, including military conflicts. It is ridiculous to pretend to protect somebody who disposes

of a several times larger number of well-armed soldiers than the protector himself. It is not difficult to conclude that the basic occupation of the UN Protection Force will be to protect itself from its proteges.

UN Protection Force as Hostage [subhead]

This is not the worst thing the UN Protection Force will be confronted with. The Muslims are also planning to use the force as hostage by means of a very simple strategy. They are convinced that when the Muslims start an offensive against the army of the Serbian republic of Bosnia-Herzegovina, a counteroffensive will follow, which they will characterize as an attack against the UN Protection Force, making the UN soldiers fight against the "aggressor." As a more moderate variant of the UN Protection Force abuse, they have planned a support role in the rear (ammunition, fuel, food and care for the wounded). The most moderate variant is having the UN Protection Force play out the role of peacekeeper, who will reach a truce that would enable the Muslims to enlarge their forces and get ready for a new offensive.

This Muslim strategy is well-known to the governments of those countries that could send troops for this mission. Nobody should therefore be surprised by their caution. The eagerness of Turkey, Pakistan and some other Islamic countries to send their troops to Bosnia is naive because there are already twice as many "volunteers" (Mujahedin) fighting at the side of Alija Izetbegovic than in the planned UN Protection Force contingent. If the "blue helmets" really come, the Muslim strategy concerning the involvement of the UN Protection Force will probably work, and the war will then certainly assume unbelievable proportions.

Based on these facts we can say that as long as the Muslim leadership of the former Bosnia-Herzegovina is not ready to accept peace, any UN mission is doomed to failure. If peace is accepted, the security zones can also be protected by a symbolic number of UN monitors, because they will not be attacked by the "aggressor." Apart from that, the analyses of the performed armed attacks (as well as the number of dead and wounded UN Protection Force members) show that the Muslims have often committed crimes. Whether they will do this also in future is up to their protectors to estimate, but they should bear in mind that any pro-Muslim involvement of the UN Protection Force (like in Srebrenica and Travnik) would cause a response by the Serbian and Croatian side. For this reason, the UN Security Council should force the Muslims to accept peace.

Serb Presidency Member Opposes Partitioning

AU0107145893 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 1 Jul 93

[Text] Mrs. Tatjana Ljuic-Mijatovic [Serb member of the Bosnia-Herzegovina Presidency] was present at the second meeting of the Patriotic Movement for Bosnia-Herzegovina, which was held today in Sarajevo. She did (?not) try to explain all the stances and ideas that were presented at the meeting of our Presidency and the cochairmen of the London peace conference in Geneva, Lord Owen and Mr. Stoltenberg.

Mrs. Ljuic-Mijatovic said that she was against a coordinating body that would include people close to Karadzic who had been proclaimed war criminals. That is why Mr. (?Mirko) Pejanovic and herself abstained from voting. Nor did we want to discuss the maps that were proposed to us by Messrs. Tudjman and Milosevic. Mrs. Ljuic-Mijatovic said the following to those present: Mr. Milosevic and Mr. Tudjman, Mr. Stoltenberg and Mr. Owen, I have to tell you a truth about Bosnia-Herzegovina. [words indistinct] because peoples have lived for centuries in these areas, and any establishment of an artificial structure in Bosnia-Herzegovina would not be able to survive.

We also told them that we had come to Geneva to listen, while the decisions would be made by the Bosnia-Herzegovina Assembly, which is the highest authority. Moreover, if the Presidency is incapable of meeting and making decisions in the interest of all the peoples of Bosnia-Herzegovina, it should (?step down). In Geneva, Mr. Mirko Pejanovic, Miro Lazovic, and myself have proposed a UN protectorate for Bosnia-Herzegovina, Mrs. Ljuic-Mijatovic said to conclude.

In the following debate, Mrs. Ljuic-Mijatovic's standpoints were supported and the proposal of any kind of partitioning of Bosnia-Herzegovina on ethnic principals was definitely discarded. It was also agreed that there was to be no negotiating with those who do not recognize an integral Bosnia-Herzegovina, and that no (word indistinct) could be accepted that would be against Bosnia-Herzegovina's interests.

Bosnia's Military Power, Chemical Threat Assessed

AU0107093893 Belgrade POLITIKA in Serbo-Croatian 21 Jun 93 p 7

[Miroslav Lazanski article: "One Plane and 80,000 Men"]

[Text] The last offensive by the Muslim forces on the Sarajevo front, limited strategic successes accomplished by the army of Alija Izetbegovic on that occasion, mass offensives by the Muslim forces against the Croatian Defense Council [HVO] in central Bosnia, as well as the defeat of the HVO in those clashes are eliciting a question among the analysts of the war in the former Bosnia-Herzegovina: Have the Muslim forces expanded and strengthened, in the meantime, so much that they may be able to reverse the situation on the front? It is undoubtedly hard to answer that question, but the fact that Muslim soldiers did learn how to wage a war, given the military and financial aid that came from abroad in the meantime, is something that the other two warring factions in Bosnia-Herzegovina must keep in mind.

Handzar Division Rides Again

The first Muslim semi-military armed formations in Bosnia were the Green Berets, composed of volunteers between 19 and 60 years of age. The members of the Green Berets were

armed with AK-47 automatic machine-guns, Zolja [wasp] shoulder-held rocket launchers, as well as with a certain number of 60-mm and 82-mm mortars. The establishment of the Green Berets took place in an environment where, according to police reports from June 1991, 92,500 Muslim citizens owned 110,400 registered firearms, 131,900 Serbs owned 157,200 registered firearms, while 43,000 Croatian citizens owned 51,800 registered firearms. All these firearms came in quite handy to equip the first para-military units in the former Bosnia-Herzegovina. After the Green Berets, the Muslims founded the Patriotic League, which had, at the beginning, nine regional and 103 local headquarters.

Shortly thereafter, the Muslims started organizing some larger, strictly military units, so they founded the Handzar division [also the name of a Muslim division attached to the fascist forces in Croatia during World War II] in Bijeljina, the Husinje division in Cazin, the Smail Aga Cengic division in Sarajevo, the Kemal Pasa Atakovic division in Brezovo Polje, the Red Fez division in Bosanski Novi, the Muslim Guard in Zvornik, and the Drina division in Bratunac. Of course, that was the situation at the very beginning of the military organization of the Muslims in the former Bosnia-Herzegovina.

It is believed that, late in April 1992, around 50,000 men, organized in various paramilitary groups, were under Izetbegovic's control, while the Republican Headquarters of the Territorial Defense of the former Bosnia-Herzegovina commanded over seven regional and 75 district departments. Those Headquarters counted 122 active officers and 33 civilians, the majority of whom later sided with the Muslim faction.

Headed by Former Officers of the Yugoslav People's Army [JNA]

The official establishment of the so-called Army of Bosnia-Herzegovina was declared by Izetbegovic on 14 May 1992, when he reserved the title of supreme commander for himself. The then head of the General Staff of the Muslim army was Colonel Sefer Halilovic, former major of the former JNA, while his deputies were Colonels Stjepan Siber (Croat) and Jovan Divjak (Serb).

Colonel Halilovic, later general, left the JNA in August 1991 and immediately joined the Patriotic League, which was still a secret organization at the time. Colonel Divjak was a professor of strategy at the Military Academy in Sarajevo in the period when Bosnia-Herzegovina seceded from Yugoslavia. In the General Staff of the Muslim army there were plenty of officers of the former JNA, among which there was Colonel Zejnel Delalic, commander of the 1st Strategic Group in Konjic, as well as Lieutenant-Colonel Salko Begic, commander of the Muslim air force. Before the war, Lieutenant-Colonel Begic commanded the training center of the Yugoslav air force in Mostar.

With Halilovic's suspension from the function of the head of the General Staff of the so-called Bosnia-Herzegovina Army, Colonel Rasim Delic, an undoubtedly well-trained, very educated and capable officer of the former JNA, became the center of attention as Halilovic's successor. There is also Zeljko Knez, former JNA lieutenant-colonel and present commander of the 2d Corps in Tuzla. In May 1992, he organized a raid on a convoy of 100 JNA vehicles, capturing 15,000 weapons.

At the present moment, the Muslim army in the former Bosnia-Herzegovina is organized into five corps, numbering around 80,000 armed men, although some Western sources claim that only 44,000 soldiers are really fully equipped. Each of these five corps is composed of four to five regiments, with around 1,000 to 1,500 men each, and they are responsible for the control of the territories where they were formed. However, many of these regiments are about the size of a battalion.

The General Staff of the Muslim army in Sarajevo has seven regional headquarters: Sarajevo, Gorazde, Zenica, Mostar, Tuzla, Bihac, and Livno. Since they are divided according to the regions in the former Bosnia-Herzegovina, the 1st Muslim Corps (Sarajevo) is composed of four regiments in Sarajevo, one regiment in Visoko, and the 1st Strategic Group in Kiseljak.

In the region of Bihac, Muslims have 10,000 armed men within the 5th Corps, whose 2d regiment is stationed in Kljuc, 111th regiment near Bosanska Krupa, 3d regiment in Bihac, one regiment in Cazin, and one in Velika Kladusa.

In eastern Bosnia, the Muslim army has 10,000 armed men arranged in three regiments in Gorazde, and three regiments in Srebrenica, while in Herzegovina, the Muslims have 8,000 soldiers forming the 4th Corps (Mostar), whose 1st Mostar Regiment is stationed in Mostar, while Jablanica and Stolac have one regiment each. The special 4th Strategic Group "Igman" is stationed in Konjic.

The Muslims claim they also have their own air force, which is, for the time being, composed of a single Jastreb [hawk], that is to say J-2 fighting plane, being kept on Dubrava airfield near Tuzla. It is not known whether the plane is operative, although several Muslim helicopters are.

As for artillery, the so-called Bosnia-Herzegovina Army still lags considerably behind the army of the Serbian republic, because Muslims have only two T-54 tanks, a few armored transporters, and relatively few heavy artillery pieces.

Various mujahidin groups from Afghanistan, Pakistan, Sudan, Saudi Arabia, and Turkey—adding up to 3,500 men—are a quite helpful to the so-called Bosnia-Herzegovina Army.

The Muslim army still does not have the same structural quality as the army of Serbian republic, it does not have as much heavy artillery, and yet the religious zeal, the aid coming from abroad in dollar and arms, the mujahidin groups, time and the multitude of their people are making the military proportion of strength more and more balanced.

[Box, page 7]

Threat of Chemical Warfare

Ankara, 20 June—"The leader of the Bosnian Muslims, Izetbegovic, stated in Ankara today that he could not dismiss the possibility of using chemical weapons if the United Nations did not lift the arms embargo against the Muslims," Reuter reports.

In an interview given to the Turkish news agency of Anatolia, Izetbegovic said that the Muslims did not want to use chemical weapons, but the course of events might make them lose control.

The leader of the Bosnian Muslims left Ankara today, and went to Vienna.

At the same time, the France Press informs that, after the Muslim forces in Tuzla had threatened using chlorine against Serbian forces in that region, an UNPROFOR representative stated in Sarajevo today he did not think that UN soldiers were endangered.

"The chlorine, with which the Muslims threaten, is intended for industrial usage, and once it is discharged in the atmosphere, it evaporates very quickly," the UNPROFOR representative said.

The France Press also conveys the opinion of another UN representative, who said it was not the first time that the Muslims had resorted to such threats, emphasizing that the threat is actually only Muslim propaganda.

Abdic on Brussels Meeting, Censorship

AU2906163193 Zagreb VECERNJI LIST in Serbo-Croatian 26 Jun 93 p 8

[Interview with Fikret Abdic, member of the Presidency of Bosnia-Herzegovina, by Azra Kaurin in Zagreb; date not given: "They Wanted To Eliminate Me"]

[Text] *Fikret Abdic, member of the Presidency of Bosnia-Herzegovina, did not stay long at the meeting of the Presidency in the Embassy of Bosnia-Herzegovina in Zagreb. Still, he had a little time for us, and this is what he said to VECERNJI LIST:*

[Abdic] This was a consultative meeting before leaving for Brussels. The agenda involved the determination of a platform for the negotiations with three ministers in Brussels. At the meeting there were no opposite opinions—we agreed upon the platform, which will be presented to the cochairmen today. We shall present them with the situation in Bosnia-Herzegovina, and ask for their greater engagement in all the issues important to the settlement of the situation, and establishment of peace.

[Kaurin] How would you comment on the nine-item proposal on Bosnia-Herzegovina?

[Abdic] We have not stated our position on that question yet. The proposal was put forward as an idea that should be considered, and we did take a definite attitude. We are not sticking our necks out; we are working soberly, but expeditiously, because time is passing and the situation in Bosnia-Herzegovina is getting more and more complicated. Our main goal is peace. We have to see what ought to be done. We shall also have to consult with our people about the issues. We may have certain attitudes, but the question still arises: Are we going to reach a peace after everything that has happened, or are we engaging in an endless struggle? There are too many things to be accomplished before we state our intentions.

I Do Not Believe in Coups

[Kaurin] After all the recent events in the Presidency, some foreign military experts do not exclude the possibility of a coup in Bosnia-Herzegovina. What do you think about that?

[Abdic] No coup has ever yielded positive results anywhere in the world, so the same would be true in Bosnia-Herzegovina. I do not believe in such assessments, but it is true that there are such aspirations. As we are the supreme authority, we shall assess the military situation in the republic. I have already written about stepped-up activity aimed at discrediting the civil authorities and encouraging certain aspirations after a military takeover. The Presidency has to learn the difference as soon as possible between its duties in peace and its duties as supreme commander. It has to perform both functions professionally and responsibly.

[Kaurin] How do you feel about your being the only representative of the Muslim people in these talks?

[Abdic] Quite good. I would not let anybody disqualify me from negotiations, thereby depriving the Muslim people of its representative there. These negotiations discuss some fateful issues. Until now I did not take part in any negotiations on the future of Bosnia-Herzegovina; I saw neither Cutillero nor Carrington, neither was I given satisfactory information about those negotiations. I thought everything would take a different course—that everything would end without blood and casualties. The situation only worsens while waiting for some military intervention or lifting of the arms embargo to occur. The sufferings of the people continue. I feel called to actively engage myself in the events, and I personally see where the problem lies.

[Kaurin] Were there any disputes with Izetbegovic after you left the Cazin Krajina and returned to the Presidency?

[Abdic] I have my own opinion about all the issues. I am well-known as a man who does not mince his words. I am very involved, but I demand such involvement from others as well. I am personally against all those who are obstructing the path to better results. I support the policy of principles in any aspect. I do not care about what Izetbegovic or Ejup Ganic say about my conduct. Many people think it would be better if all of us followed the same line. I believe that would mean a step backwards, to where we started from. As for accusations against me, particularly those coming from Sarajevo, I think they

have been issued by the same old person.... I think that the censorship of all the media in Bosnia-Herzegovina must be immediately terminated. Censorship has also been imposed on members of the Presidency.

The interview I gave to DANAS was quite positively received by the public. I wanted to publish it in Sarajevo OSLOBODJENJE; however, the people in charge there did not accept it. The information blockade in Bosnia-Herzegovina is being justified with the state of war. That is a typical example of the misuse of the war situation. Those who have imposed such a blockade will have to be prosecuted, and they are also to blame for the whole situation in the republic. The people must be informed. The people in charge must give information to the people, even it they have to transport satellite telephones on foot. This informative blockade suits certain circles which must clearly identify themselves to the public.

They Told Me I Was an Ustasha

[Kaurin] The news about your firm's business dealings in Austria crashed like lightining yesterday. What can you say about that?

[Abdic] The issue has to do with the Agrokomerc branch in Vienna, as well as certain circles that arranged the affair. A well-known organization is doing everything it can against me, and that is only part of the machinery working against Abdic. My party has made many severe accusations, and I only tell the truth. It is truly unscrupulous to accuse a man who actually brought victory to his party in the elections. I will publicly state that there has been a coup in the Party of Democratic Action [SDA]. The leadership abused the people. The executive board of the SDA does whatever it wants to.

[Kaurin] After everything that has happened in this war in Bosnia-Herzegovina, do you regret not taking up the post of the president of the Presidency after the elections?

[Abdic] I do not regret giving up the post in favor of Izetbegovic. If I had, I would have lost the position in Agrokomerc. I believed that it was in the interest of the Muslim people, the SDA, and the state as a whole not to insist on the presidential post, despite my being a moral winner. I am very sad about what happened to Bosnia-Herzegovina, but I am not to blame. Whenever I tried to do something positive, even in the Presidency, they asked me why I stuck it out, and if I aspired to becoming president of Bosnia-Herzegovina. Even now I do not want to take up the duty of chairman. I will not even take a plane for Brussels, otherwise some people would say I used their plane to make arrangements for Agrokomerc. I see the situation quite well. This morning I was asked to answer to the accusations regarding the Austrian firm. I simply do not want to. Everything is deliberated, and I know who does that. I am capable of fighting them.

[Kaurin] How did your fellow party members react to your letter, in which you made many accusations against the Army of Bosnia-Herzegovina after the clashes between Muslims and Croats had broken out?

[Abdic] When I condemned the clashes between Muslims and Croats, I was told I was an Ustasha [member of Croatian fascist movement during World War II]. They accused me of selling Bosnian Krajina to Milosevic and collaborating with Serbs. The entire delegation at the Geneva negotiations was stunned when Milosevic said he knew only me among all the members of the Presidency of Bosnia-Herzegovina. The first and last time we met was in 1987, thanks to the late Hamdija Pozderac.

[Kaurin] Do you still have the strength to go to Sarajevo and take part in the Presidency meeting after everything that happened?

[Abdic] My going to Sarajevo has nothing to do with my strength. I have proven myself to be the most courageous member of the Presidency. However, the situation in Sarajevo is such that it is not a good time for me to go there. That is not because of the Sarajevans, but other considerations. I know quite well what they were preparing for me, and still do, in Sarajevo. It is not even the Ministry of Internal Affairs that takes care of such things, but another ministry entirely. While I was in Kladusa, six groups were sent to Bosnian Krajina to eliminate me. Every one of those groups was uncovered before they managed to get to Kladusa. I refer again to the same center of authority and well-known lobby. I am courageous, but I am not naive enough to venture to Sarajevo. I shall remain principled and loyal to my people.

Government Forces Renew Attacks on Obrovac

LD0107130893 Belgrade TANJUG in English 1253 GMT 1 Jul 93

[Text] Knin, July 1 (TANJUG)—Croatian forces on Wednesday night renewed artillery attacks on the area around the towns of Benkovac and Obrovac, in the south of the Republic of Serb Krajina (RSK).

Battles around Obrovac continued on Thursday morning, the RSK army command announced.

The RSK was proclaimed in 1991 on a predominantly Serb-populated territory within Croatia's administrative borders, as the Serbs' response to Croatia's forcible secession from the former Yugoslav federation.

The RSK army command reported fighting along the line of the southern and western fronts in Krajina on Wednesday and Thursday morning.

In the Skradin hinterland, Croatian forces opened fire on Serb villages from all available weapons.

No reports have been given about the attacks, but it is certain that they caused new damage on civilian facilities.

Three Serbs Killed

LD0207112093 Belgrade TANJUG Domestic Service in Serbo-Croatian 1018 GMT 2 Jul 93

[Text] Obrovac, 2 Jul (TANJUG)—From their strongholds in Jasenice and Maslenica last night members of the Army of the Republic of Croatia launched a fresh attack on Obrovac and the surrounding villages of Zaton, Muskovci, Karin, and Zegar which resulted in many dead and wounded civilians.

Obrovac was targeted with multiple rocket launchers at around 2040, and Karin, 12 kms away from Obrovac, came under fire about 15 minutes later. It was announced in the command of the Obrovac Brigade of the army of the republic of Serb Krajina, three civilians were killed—Natasa Jokic, 18, Coka Cupac, 45, and Soka Arcaba, 75. The victims were refugees from villages in the Ravni Kotari area.

The exact number of wounded is not yet known.

Serbs Continue Artillery Fire on Vodice

LD0207083093 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 2 Jul 93

[Text] Serbs fired six missiles from the Oganj missile system on Vodice around 2315 last night. There are no reports of casualties, but there is tremendous material damage. A general alert is still in force in the Sibenik county.

Last night Serbs again pounded positions of Croatian defenders in the Zadar and Biograd area with artillery fire. They targeted residential buildings in the Stankovci area. Several dozen shells hit Kasic, Podgradina, and Paljuv, and the enemy also opened tank fire on Policnik and Suhovare. Stankovci and Velin were targeted by shells from multiple rocket launchers. EC and peace forces' observers rejected the Croatian Army's invitation to come to the scene of shelling. Zadar and Biograd were peaceful last night and this morning.

Plans for Confederation With Croatia Alleged

LD0107172193 Belgrade TANJUG in English 1531 GMT 1 Jul 93

[Text] Lubljana, July 1 (TANJUG)—The former Yugoslav republic of Slovenia has drafted an agreement by which the country's foreign minister, Christian-Democrat Lojze Peterle, wants to form in cooperation with the former Yugoslav republic of Croatia a confederal state under the auspices of the Vatican for defence against Moslems and the Orthodox religion, leader of Slovenia's right-wing national party Zmago Jelincic claims.

By the plan of confederation between Slovenia and Croatia the leader of Slovenia's most influential right-wing party implies a draft agreement on friendly relations and cooperation worked out at the Slovenian Foreign Ministry in Ljubljana and approved by the International Relations Committee of the Slovenian Assembly.

The two northwestern republics, Slovenia and Croatia, seceded by force from the former Yugoslav Federation in 1991. However, the new states have been in dispute over their sea and land borders ever since the secession.

Foreign Ministry on Border Control

93BA1135A Ljubljana DELO in Slovene 10 Jun 93 p 1

[Article by Ursa Izgorsek and Boris Suligoj: "Astonishment at Italy's Measures"]

[Text] *The Foreign Ministry ordered the ambassador in Rome to officially request an explanation of Fabbrio's statement.*

Ljubljana, Koper, 9 Jun—Yesterday's statement by Italian Defense Minister Fabio Fabbrio that Italy, because of arms smuggling from the former Yugoslavia, intends to tighten control of the Slovene-Italian border and introduce new measures, in which army units are also to participate, was received by the Slovene Foreign Ministry with surprise and concern. Slovene Ambassador to Italy Marko Kosin was also ordered to submit an official request today for an explanation.

In an announcement for the press, the Foreign Ministry expresses astonishment at Italy's announcements, since so far its official authorities have not had any criticisms of cooperation with our border authorities. Slovenia has not received any official notification from Italy about changing the regime at the border, and also does not see any reason for anything like that. It warns that the possible introduction of a tighter and even military regime would have negative consequences for both states, since before the approaching tourist season it would shut off the flow of people, and above all, it would hurt the position of minorities on both sides of the border, which would be contrary to the basic provisions of the Council of Europe, of which both states are members. It also emphasizes that such measures are not customary between states belonging to the Council of Europe.

Representatives of the border police in Koper said that passenger vehicle traffic was proceeding through the border crossings with Italy without any traffic jams. It is only on the Italian side of the border crossing at Skofija that truck traffic is proceeding extremely slowly.

The Italian authorities have already been increasing control on their side of the border for some time. This was particularly observed in recent months, when immediately beyond the state border one could frequently encounter police cars monitoring traffic and additionally inspecting incoming (and also outgoing) vehicles. Major traffic jams could be observed recently primarily at the Skofija border crossing, where lines of cars waiting to cross into Slovenia often stretch for several kilometers into the interior of Italy.

Federal

Stoltenberg Submits New Format for Conference

LD0107140193 Belgrade TANJUG in English 1337 GMT 1 Jul 93

[Text] Geneva, July 1 (TANJUG)—Co-chairmen of the international conference on the former Yugoslavia Lord Owen and Thorvald Stoltenberg proposed on Thursday a new organisation of the conference to its supervisory committee, TANJUG learns from sources close to the conference secretariat. The proposal provides for working groups for the Federal Republic of Yugoslavia to be formed within the conference, together with a sub-group for Serbia's southern province of Kosovo-Metohija and groups for the former Yugoslav Republic of Macedonia and the United Nations Protected Areas (UNPAS).

Lord Owen's deputy, French Ambassador Jean Pierre Masse would chair the working group for the Federal Republic of Yugoslavia.

At the moment there are six working groups within the international conference on the former Yugoslavia: for the former Yugoslav Republic of Bosnia-Herzegovina, for humanitarian questions, for strengthening security and cooperation, for economic questions, for succession and for the minorities.

If Thursday's session of the supervisory committee adopts the proposal for reorganizing the conference, the groups for minorities and security would be excluded from the existing scheme, diplomatic sources at the Palais des Nations in Geneva claim.

Government Rejects Working Group at Peace Talks

LD0107143293 Belgrade TANJUG in English 1357 GMT 1 Jul 93

[Text] Geneva, July 1 (TANJUG)—The Government of the Federal Republic of Yugoslavia (F.R.Y.) advised the co-chairmen of the Geneva Conference on Former Yugoslavia that it would not accept a decision by the supervisory committee to set up a working group for the F.R.Y. and its sub-groups.

The government deems that the formation of such a group would contradict the basic principles of the U.N. Charter on the inviolability of sovereignty and on the respect of the state's national interest. The government said so in its letter delivered by F.R.Y. Ambassador in Geneva Vladimir Pavicevic to Co-Chairmen David Owen and Thorvald Stoltenberg before Thursday's meeting of the supervisory committee of the Conference on Former Yugoslavia.

The co-chairmen, TANJUG learned, on Thursday suggested to the supervisory committee a reorganization of the conference, so that working groups would be set up for the F.R.Y. and a subgroup for the southern Serbian province of Kosovo and Metohija, a group for the ex-Yugoslav Republic of Macedonia and for the zones under the protection of the United Nations (UNPA) in former Yugoslavia.

The current pattern of the international conference on former Yugoslavia has six working groups: for the ex-Yugoslav republic of Bosnia-Herzegovina, for humanitarian questions, for the strengthening of security and cooperation, for economic affairs, for succession and for minorities.

Government Dismayed at CSCE Refusal

LD0107170093 Belgrade TANJUG in English 1616 GMT 1 Jul 93

[TANJUG punctuation throughout]

[Text] Belgrade, July 1 (TANJUG)—Assistant Yugoslav Foreign Minister Nikola Cicanoic said on Thursday that he was "surprised with the CSCE's (Conference on Security and Cooperation in Europe) refusal of the Yugoslav proposal for cooperation. Hence, said he, the CSCE reaffirmed its earlier decision on suspending its cooperation with the Federal Republic of Yugoslavia (F.R.Y.) and, in his view, would have to bear certain consequences as regards the stay of a CSCE mission in the F.R.Y.

The CSCE committee of senior officials in Prague on Wednesday rejected the Yugoslav Government demand to consider the "renewal of the rights and seat of the F.R.Y. in the Helsinki process" from which it had been suspended last mid-year. The committee also sought that the Yugoslav Government should accept an automatic extension of the mandate of the CSCE mission to Yugoslavia.

In his statement to TANJUG, Cicanovic stressed that Yugoslavia could not be blamed for a decision made in Prague because "we want cooperation, but the CSCE turns it down." The final decision on the extension of the CSCE mission's mandate would be made by the Yugoslav Government, said he.

Observers of the CSCE mission are located in the Serb provinces, Kosovo and Metohija (Kosmet) with majority Albanian population, and Vojvodina where Hungarians contribute 17 per cent to the total population, and also in the Serb region of Raska (Sandzak) where half the total population are Moslems.

As for the CSCE-demanded automatic extension of its mission's mandate, Cicanovic recalled that this mission had now been in the F.R.Y. eight months, and that the Yugoslav Government had made it clear that the attitude of the CSCE towards Yugoslavia could no longer be tolerated.

Despite this, said he, the Yugoslav Government had extended the mandate of the CSCE mission by two

months, awaiting that in this period the CSCE would consider a suggestion to have relations turned back to normal.

Noting that as many as 21 of the 23 latest meetings of the CSCE had been devoted to Yugoslavia and its crisis, Cicanovic concluded that "this only shows how indispensable the participation of the F.R.Y. in these meetings is, so that the CSCE could objectively inform its members about its foreign policy and help solutions be found for the Yugoslav crisis."

Beopetrol Director on Shortage of Fuel

93BA1126D Belgrade BORBA in Serbo-Croatian 4 Jun 93 p 14

[Article by J.P.: "Nedjo Mileta, General Director of 'Beopetrol': Less and Less Product"]

[Text] "We are still managing to transact average business, above the zero level, but with ever-greater exertions. Naturally, everything is over and done with in terms of procuring petroleum derivatives, and there is no need to discuss problems here publicly," Nedjo Mileta, the general director of "Beopetrol" begins his tale of one year of business under sanctions.

Indeed, "Beopetrol" ceremoniously marked its founding on 26 May of last year (i.e., only several days before the economic and petroleum blockade was imposed), because, to recall, this enterprise came into being by splitting off from Zagreb's INA [Petroleum Refining and Sales Enterprise]. Of 218 gasoline pumps, 24 were designated for the sale of derivatives at higher, so-called free prices, 40 to 50 were leased, and the others receive gasoline or diesel at least occasionally, for sale to private citizens in exchange for coupons.

"The quantity of fuel that we are getting from the refineries in Pancevo and Novi Sad, in other words from domestic refining, is minimal, so that we have been forced to seek delivery from other sources. Over the last few months, however, delivery from these other sources has been even more difficult, sporadic, and naturally more expensive. Nevertheless, we are managing to provide fuel at pumps where we ourselves establish the prices and sell it more cheaply than private distributors of petroleum derivatives," says Nedjo Mileta.

Noting that besides the aggravated delivery conditions an ever-greater problem is the precipitous rise in the value of foreign exchange on the black market, Mileta emphasizes taxes as an additional major difficulty in conducting business. Prior to March, the excise tax was assessed as an absolute amount, regardless of the ultimate retail price. Since then, it has been applied at a rate of 62.4 percent.

"For example, a consumer who pays 760,000 dinars for a liter of fuel at our pump is actually giving 474,240 dinars to the state budget. From what is left over, we must cover the price we paid for the fuel, transportation, handling charges, and if there is anything left, wages. But that is almost impossible," says Mileta, explaining this calculation that is disadvantageous for "Beopetrol." However, this firm has an additional source of earnings in the form of fees from leased pumps. Last fall, when a boom of private suppliers of petroleum derivatives began, as much as 40,000 German marks [DM] a month arrived in the "Beopetrol" coffers per pump. Now, however, because of the increasing difficulties with the acquisition of fuel and the problems cited above, the leasing fee has "fallen" to at most DM5,000 a month.

Nedjo Mileta says that because they themselves do not have enough product, a significant source of revenues is the leasing of fuel storage reservoirs. Besides private businessmen, their services are also used by many larger firms, which have acquired large quantities of gasoline or diesel in order not to be dependent on the daily whims of the domestic petroleum market.

"In relation to our plan, in 1992 we achieved only 49 percent of the physical turnover in product—with a minimal positive result, financially speaking. Now, however, the situation is much worse. Our basic product, gasoline and diesel, is not available. There is also less and less motor oil, and without that product other supplementary products do not sell at the pumps either. If the sanctions continue any longer, all domestic reserves will be so exhausted that it will be hard for us to recover. Thus far, of our 1,420 workers no one has had to go on mandatory leave, but if we too find ourselves in a situation where we have to do that to survive, then all of society will in fact have exhausted all the reserves. And if we come to a standstill, once the sanctions are eased it will be difficult to get moving again," concludes Nedjo Mileta.

Commission Formed To Advise on Sanctions

93BA1124C Belgrade POLITIKA in Serbo-Croatian 5 Jun 93 p 11

[Article by Slavica Cedic: "Why the Federal Government Formed a Committee for Following Sanctions: Carping Even Stronger Than the Revolution"]

[Text] *Because they cannot prevent the import of food and medicines, the members of the committee are constantly delaying the issuance of import permits. Advisers to businessmen on how to shorten the way to import approvals. Powerful human potential engaged in implementing and checking on sanctions will slow their elimination.*

In order to pry open the deadly embrace of the international blockade, at least to the extent it is possible, the federal government recently established a special Committee for Following Sanctions, at the head of which is Borislav Vukovic, deputy federal minister for economic relations with foreign countries. As to exactly what the newly formed committee will do, we ask its president.

"One of our tasks is to follow how individual countries apply UN Resolution 820. We do not have complete information yet, because the countries had a deadline of 28 May to inform the United Nations what they have undertaken to implement this resolution. While this is gathered and processed, the complete information will probably be prepared in the United Nations only in the second half of this month. But, some countries revealed very quickly after the adoption of the resolution what they had undertaken, some figured to be more rigorous if it is possible, although with this resolution the most elaborate and most rigorous measures in history were adopted. It is known what the EC, the USA, are doing, our neighbors have also made decisions about this...

Preventing the Misuse of Sanctions

"Nevertheless, our committee will follow and evaluate the behavior of each country in the application of this resolution, especially its customs, financial, and other organs responsible for the application of international sanctions. We will keep track of it, we will evaluate, and why not, we will remember," says Vukovic.

Next, the committee is prepared, if this is necessary, to provide for the protection of the interests of our citizens who unjustifiably suffer the effects of the sanctions.

"Nevertheless, our first aim is to help our businessmen to import at least what is permitted under the international resolution. We will inform them about the opportunities for importing food, medicines, and parts for this type of products excluded under the blockade, and we will espcially help them with information about the procedure for obtaining import permits. This way the effects of the abuse of the sanctions will be avoided: they wait for months for approval to import or, upon importing, goods or trucks are seized at a checkpoint, for example," explains Vukovic.

Because, in the words of the president of this committee, it is precisely the experiences up to now with those responsible for implementing the sanctions that have induced the federal government to establish the special committee:

"We are worried that people are not succeeding in importing what is indisputably allowed under the resolution. Everything is being destroyed through procedure. That which the UN Council has allowed—the committee is disrupting in the application. Our request for the import of petroleum, crude oil, and gas for heating was completely legitimate under the resolution. But, whenever our request was submitted to the committee, there was sufficient comment from at least one member that the whole question was put off until the next meeting. First they sought that we specify the necessary quantities, then they sought that we specifically enumerate the schools, hospitals, and other institutions that were going to use them. After the decision was postponed until it was determined which humanitarian organization would oversee the distribution of the allowed quantities just to those for whom it was sought... And then March arrived and the end of the heating season," relates Vukovic.

The same scenario also repeated itself with the request for the import of gas from Russia for chemical fertilizer, submitted back at the beginning of planting, which is constantly delayed because of alleged lack of completeness.

"In diplomacy it is a known tactic: it is easier to win the match with procedure than with substance," our subject indicates. "When it is not possible to approve the import of that which the UN Council excluded from sanctions, then procedural faultfinding is sought. With the medicines they committed a double hypocrisy because products that the elderly and children need are involved. We require the import of ingredients for medicines valued at 50 million dollars, because our industry would produce medicines from them valued at 250 million dollars and meet all our needs. But, they are not approving the import of ingredients, but only finished medicines valued at 50 million dollars. This leaves our pharmaceutical industry without work and meets only one-fifth of our needs. And this is a question of satisfying one of the basic human rights, to life and health! But, even this is not sufficient for a different position on the part of the Committee for Sanctions," says the deputy federal minister for economic relations with foreign countries.

Displaying a consistent inconsistency in the application of that which the UN Security Council adopted, the committee has not permitted any exports from our country up to now, even for humanitarian organizations for which, in turn, the import of food and medicines would thus be possible.

Vukovic refers to the fact that the procedure for approving transit shipments through our country, especially via the Danube, is still strict, and controls, with electronic and physical checks of "pardoned" convoys, are still rigorous. All this costs extra, emphasizes Vukovic. New people, observers, are employed for the business of implementing and checking the sanctions, customs checks are strengthened, people are employed in the communications center in Brussels, special people are also involved with the sanctions in the ministries of individual countries, as well as in humanitarian organizations concerned with sending aid...

"Large budget revenues are being spent, the taxes of citizens in these countries, great human potential is engaged, not in anything creative, but destructive. And to say nothing of the costs to the economy: the prices for transport are rising per product unit, waiting for approval reduces efficiency, profits are smaller—all this indicates that the sanctions are a totally unsupportable long-term economic solution," claims Vukovic.

Our Detriment—Someone Else's Benefit

But the great losses that the sanctions are inflicting on international businessmen should not deceive us,

according to Vukovic. Although allegedly implemented for political reasons, they have served many as a powerful economic weapon.

"There is no doubt that the unilateral EC sanctions, for example, were put into effect before the UN blockade, and were thus economically motivated: let's say you prevent YAT aircraft from landing at their airports and, since travelers must switch, here is more business and money for Lufthansa. Then Alitalia also does it, and next airports in Hungary are getting rich when our airports are closed to international traffic... And then all those powerful people employed in the implementation and control of sanctions. If there were no sanctions, they would all be redundant tomorrow."

Precisely because of the many economic interests that have been woven into international sanctions, Vukovic does not expect them to be lifted for the moment:

"They will probably be lifted in phases, up to the end. I foresee that they will first lift the blockade for football and other sports, then culture... Economic relations with the world will come at the end. The longer it takes to lift the blockade, the longer our way back will be. Our economy will be completely impoverished. For the restoration of production, the import of raw materials, production materials, and, probably, some equipment will be necessary. And then, it is known that 6 to 8 months' time is needed from the beginning of the investment cycle to exporting. Thus I foresee that our chances to obtain the necessary foreign exchange immediately after the lifting of sanctions are in the prompt export of commodity products, aluminum, copper, zinc, lead, as well as corn. Next, with our law on foreign investments, which was previously judged to be the most liberal, after the Polish, we attract foreign capital. It also provides for concessions, free zones. But, resolving questions of continuity is the most important. Then we would be able to continue the implementation of all international agreements concluded by the SFRJ and seek the return of earlier import arrangements," concludes Borislav Vukovic.

Serbia

Draskovic Begins Hunger Strike

LD0107211593 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 1 Jul 93

[Report by correspondent Sonja Badel from Belgrade]

[Text] Vuk Draskovic has started to refuse food and medication today, and according to a statement from his team of doctors his health deteriorated last night. In an open letter to the democratic public, Draskovic states that he has decided to die in order to deprive of their enjoyment those who have condemned him to a slow death in rat-infested prison.

Draskovic made this decision after the district public prosecutor brought charges against him and Danica Draskovic and extended their detention by a further two months. The initial charges of violent disruption of the constitutional order have been dropped, and they are now accused of being the ringleaders of the group responsible for the violence. Draskovic is also accused of the criminal act of obstructing a security officer in carrying out his duties. This is a reference to Draskovic's alleged physical attack on a policeman.

His defense will lodge an appeal with the Supreme Court tomorrow against the latest decision. They assert that there is not a single shred of evidence for the claims of the indictment and that the judicial organs have yielded to the pressures of political leaders and that this is a political trial unprecedented in recent times.

In today's letter, Draskovic called on the opposition to unite and avoid public meetings in order to prevent bloodshed.

SPO Protests Coverage of Draskovic Case

LD0107143493 Belgrade TANJUG Domestic Service in Serbo-Croatian 1128 GMT 1 Jul 93

[Text] Belgrade, 1 Jul (TANJUG)—Deputies of the Serbian Renewal Movement [Srpski Pokret Obnove - SPO] boycotted this morning's session of the Republican Assembly to protest the way in which Serbian Radio and Television [RTS] has covered the trial of Vuk and Danica Draskovic.

According to a statement signed by Milan Mikovic, president of this group of deputies, "pressure has been exerted twice this week during RTS First Program's prime time on the judicial organs of Serbia, and the public, concerning activities they [the judiciary] were expected to perform these days."

The SPO's group of deputies believes that such coverage was aimed at prejudging the decisionmaking on the extension of the Draskovic pair's detention period, so they wished to draw the public's attention to this by boycotting the Assembly's work.

Milan Mikovic also told reporters that the SPO group of deputies has turned down verbal invitations to appoint two of its members to the television's board.

Hyperinflation Rages in Serbia

93BA1125D Belgrade POLITIKA in Serbo-Croatian 1 Jun 93 p 9

[Article by R. Nikolic: "Every Day a New Price"]

[Text] *Today bread and milk, and perhaps electricity, are becoming more expensive. The most frequent price—in millions. If it continues like this, bread will cost 3.5 million dinars in October, and a copy of the daily paper about 3 million dinars.*

"Real chaos reigns now in the rising prices. It is no longer clear even to us merchants what is happening. All the goods that we received last Friday and Saturday had tripled in price, and most of the products carry prices higher than a million dinars. For example, jams rose from 300,000 dinars to a million-plus, a half-liter of shampoo also rose from 300,000 dinars to a million-plus, the new price for four rolls of toilet paper has passed a million... I do not know any longer where this is leading. I am afraid we will drive many buyers away with such prices."

This is how the sales clerk commented to us yesterday in one of the "Centropromov" self-service markets on the latest rise in prices, right at the moment when she was performing the usual daily setting of prices. Obviously, they had begun to fear hyperinflation in the market, which was raising prices many times over all at once.

The Price of 190,000 Dinars a Loaf

Unfortunately, the enormous price rises are also beginning today for the most basic grocery staples, such as bread and milk, and an increase in the cost of electricity has also been announced. Bread is supposed to rise in price by about 300 percent and milk by about 160 percent. Judging from this announcement, 600 grams of "Sava" white bread will cost about 190,000 dinars and a liter of milk about 120,000 dinars. At the same time this means that a chain reaction in price rises for milk products will follow, after which a 200-gram cup of cream will cost more than 100,000 dinars and a kilogram of kachkaval [hard cheese], depending on the type, over 2 million dinars.

As of today an increase in meat prices of at least 50 percent is also expected, as merchants report. Thus, a kilogram of [word indistinct] will approach a cost of about 2 million, and other categories of meat will fetch similar prices.

In addition to price rises for food products, other types of goods are also increasing steadily in price. According to information from the "Beograd" department stores, new price lists arrive every day, except Sunday, and they usually contain price rises for 600 to 700 items, which include everything: from groceries to textiles, chemical products, technical products and equipment. It is also interesting that since last week, everything that has been going up in price has been doing so several times over. Only one of a series of examples is white sheep's cheese, which rose in price on Saturday in the self-service departments of the "Beograd" department stores from 262,000 to 906,000 dinars.

Rising prices under hyperinflation are nothing unusual, but what is now surprising both merchants and customers is the percentage by which the increase in the cost of foreign exchange on the black market is built into the new prices.

Wages Following Blindly Behind Prices

That the banks are also well informed about the increase in prices several times over is indicated by the latest limits set for check payments. Up to yesterday the minimum amount for a check was 100,000 dinars, and as of today it is 500,000 dinars. For purchasing goods by check, the maximum was 3 million dinars per check; as of today it is 10 million dinars. Therefore, the result is that everything that is bought and paid for involves sums that are several times higher than previously, while, at the same time, official statistics show that life is only 200-plus percent more expensive.

It will be difficult for the wages of employed persons to follow the manifold daily rises, because the larger firms will certainly not pay three, four, or five times higher salaries. And who knows whether even these higher wages will be sufficient at the time when they are paid, since new price lists are coming out daily. If the current rate of price increases for just one basic food item continues, such as bread, for example, which went up in price 70 times in the past five months, then the result could be that a loaf will cost 3.5 million dinars by the end of October, and a liter of milk about 3 million dinars, since the price of milk rose by 56 times over between January and May of this year.

Therefore, the daily paper will cost 2 to 3 million dinars in some places by the end of October, so the amounts paid will add up to several billion of today's banknotes. Whether this will occur or the responsible state organs will, nevertheless, undertake vigorous measures to restrain hyperinflation should be learned in the next few days.

Church Criticizes Government, Appeals for Peace

93BA1126E Belgrade BORBA in Serbo-Croatian 3 Jun 93 p 12

[Article by Nikola Todorovic: "Serbian Orthodox Church and National-Political Events: Reconciliation of Nations, Self-Determination, and Criticism of Government"]

[Text] *There was no shortage of reaction to the message addressed to the public by the Serbian patriarch and bishops from the conclusion of the annual session of the Holy Synod, confirming the major interest with which the positions and messages of the church are anticipated. It appears that the Synod's proclamation could also be taken as an assessment of the situation in which the Serb nation finds itself, and as an indicator of the current position in the church concerning its own opportunities for action under the present-day national-political circumstances.*

As expected, the official announcement did not deviate from previous ones that called for the right to self-determination and life in one community for the Serb nation. Besides the obligatory appeal for peace, the Synod declared that peace is possible only through a just political solution that includes respect for the right of

each nation to self-determination. Later on in the text, without mentioning Yugoslavia, concern for the fate of Serbia, Montenegro, Serbian Krajina, the Serb republic [of Bosnia-Herzegovina], and "our entire nation" is expressed on the same level.

Decided support for a referendum among Bosnian Serbs at a time when military retaliation is predicted also only reaffirms previously stated positions. Nevertheless, such a firm stance elicited surprise among part of the public. The reason for this could probably be found in the fact that the church is not exactly accustomed to announcing all its activities, so that the public remained unaware of what the church advised Cosic and Karadzic immediately prior to the Bijeljina assembly.

Central in the announcement is a call for the formation of a government of national unity and deliverance from the evils to which our nation is subjected, and from the evil of national divisions that threatens to overcome it. This is a proposal that has also been heard earlier, in the Memorandum and appeal for the creation of a "government of national confidence, national unity, and pannational salvation," or recently in an interview with the patriarch where he called for "a government of national salvation, because one party cannot do as much for the good of the nation as all of them can together."

The bishops express sharp condemnation, reaffirming positions from previous announcements, when they say that the "authorities who are best-suited by the situation into which we have been led have neither the strength nor the genuine confidence or backing to lead the nation in the right direction." They also announce: "They must make way for better people, peacefully, cooperatively, and tolerantly. An appeal must be issued to the best intellectual and moral forces of our nation, who would agree, based on unselfish, nonpartisan motives, to share in the joint responsibility for the fate of Serbia and Montenegro, the Serb republic, Serbian Krajina, and our entire nation."

This appeal by the church for the creation of a government of national unity could be understood first of all as the reaffirmation of the opinion previously expressed on numerous occasions and as a renewed indication of the course that the church believes to be the most acceptable and best one. However, with a ruling party that, among other things, ignores the patriarch's appeal for it to take part in talks with other parties on "the trials and problems of our nation" (in March at the Patriarchate), and with an opposition lacking the necessary strength, it will be hard to assign weight to the current reiteration of the appeal for the creation of a government of national unity any greater than that of a "voice crying in the wilderness."

According to many people, the call for a government of national unity and the sharp condemnation of the authorities is actually a wall that only individual bishops can cross—just as Bishop Artemije of Raska-Prizren tried to do at last year's St. Vitus' Day assembly with his message "that the communist chains must be broken"—but that the church as an organization cannot cross. It has been felt that church pressure on the authorities can begin with insistence on the return of nationalized property, stubborn demands that an appropriate place be found for religious instruction, and other regular admonitions of the authorities to grant rights to which the church considers itself entitled. The Synod is qualified to issue declarations and announcements with memorandum and referendum status, but a statement like the one by the last mayor of Belgrade, who said that the church "has gone too far this time"—i.e., that perhaps the patriarch and the 30 bishops have forgotten their place—does not require a response from the meeting of bishops based on the reasoning of church dignitaries.

The church's actions and words are defined, and thus limited, by what the church calls the concern of "the spiritual fathers" that they not provoke further divisions in the Serb nation, which has come to a "horrible crossroads and faces historic challenges." Thus, each term used in the official announcement concluding this year's regular Synod session was well-measured.

An effort was made in this announcement as well to highlight the appeal for the creation of "unity and reconciliation among the entire Serb nation," which appears in the text of the announcement before the reference to the right to self-determination and the criticism of the government, just as the same desire was prominent in the statement from the special session of the Synod held in December. However, it appears that during the time leading up to this Synod political and war events were stronger than the church's fraternal concern.

Macedonia

Macedonian Shaykh Warns of Turkish Intervention

93AE0515B London AL-HAYAH in Arabic 20 Jun 93 p 8

[Article by 'Abdallah al-Hajj: "Chief Mufti of Macedonia: Turkey May Intervene To Confront Serbs"]

[Text] Jeddah—A Macedonian official has warned that Turkey will be compelled to intervene militarily to protect Macedonia's Muslims if the republics of Serbia and Montenegro carry out military operations in this country. In statements to AL-HAYAH, Shaykh Haji Soleiman Rajab, the chief mufti of Macedonia, has said that his country's social and economic conditions are worsening "because of Serbian President Slobodan Milosevic's repeated threats."

Shaykh Rajab said, "Macedonia's demographic makeup makes this country a time bomb in the midst of the

Balkans because of ethnic overlapping and of the coexistence of several Turkish, Albanian, Bulgarian, Greek, and Serbian ethnicities that form the Macedonian people."

The shaykh warned of the "outbreak of a limited European-international" war if the Serbs attack Macedonia, asserting that Turkey will not stand idle "because of the organic and daily [sic] bond between the mother political parties in Turkey and their branches in Macedonia." The shaykh also alluded to the "recent relative improvement in political conditions, considering that Muslims are represented currently by 22 deputies and five cabinet ministers, out of a total of 15 ministers, from the Prosperity Party and the Democratic Future Party."

The chief mufti of Macedonia has expressed the opinion that the "flare-up of developments in the neighboring Kosovo Province will inflame Macedonia because of the ethnic bond between the two countries." He also expressed the opinion that the presence of the UN forces on the Macedonia-Albania-Kosovo border is inappropriate, noting that the borders with the Serbs, Greeks, and Bulgarians, "where the real danger lies," should be made secure.

Shaykh Rajab expressed resentment over the "Croats' disavowal of their alliance with the Muslim Bosnians and their plotting with the Serbs to strike the Balkans' Muslims before the international community's eyes and ears." He has also criticized what he has characterized as the "negative position of the Arab and Islamic countries vis-a-vis the massacres to which the Balkans' Muslims are subjected." He has warned of the "consequences of abandoning these Muslims to their inevitable fate at the hands of the West, which considers Islam everywhere its enemy, especially since the collapse of communism." He has urged Arabs and Muslims to exert more political and aid efforts and to exercise diplomatic and international pressure to lift the arms embargo imposed on the Bosnia-Herzegovina Muslims so they can defend themselves honorably.

Rajab lauded the role Turkey has played vis-a-vis the crisis, saying, "Turkey has provided many times the moral support and aid that has been provided by the Islamic countries collectively."